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# SOCIALISM NOT THE BEST REMEDY.

BEING A REPRINT OF

"JOHN SMITH'S REPLY TO 'MERRIE ENGLAND'."

BY

J. W. S. CALLIE

(*Editor of the "Financial Reform Almanack"*).

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The late Mr. Henry George wrote:—"Dear Mr. Callie,—I congratulate you upon the little book, which seems to me excellent. Socialism is so vague and contradictory that it cannot stand argument. Its very vagueness commends it to men who will not or cannot take the trouble to think, but in the long run the men who do think will win, if the discussion is only kept up."

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## PREFACE TO RE-ISSUE.

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EVERY right-thinking person must rejoice that, with the advent of a Liberal Government to power, the question of Poverty in its varied phases is once again receiving something of the attention it requires. The Prime Minister, Sir Henry Campbell-Bannerman, has so frequently dealt with this subject in his speeches that it is certain the Government will introduce legislation having for its object the bettering of the condition of the workers. Upon the character of that legislation the future welfare of the country will, to a large extent, depend. It is imperative that correct thought precede action, and danger lies in the fact that a section of the community are loudly demanding so-called "reforms," the result of which will be to make the condition of the people worse even than it is at present. It is very easy to destroy; any child can do that. But the true statesman endeavours to introduce reforms that are not revolutionary in their character, and that will benefit without also inflicting widespread evil.

At the suggestion of several friends I have re-printed this little work that was written ten years ago to combat the Socialistic arguments put forward in "Merrie England." The evils that confront us when we consider the social problem must have a cause. Men do not work "long hours" from choice, nor prefer a small wage to a proper income. Before we can deal with the problem of poverty in the midst of and in many cases actually caused by plenty, we must find out the cause of the evil. In "Merrie England" an attempt is made to discover the causes, which are declared to be "Prerogative" and Competition; by "Prerogative" is meant the land monopoly. Coupling the two together, and laying stress upon the evils of Competition, "Nunquam" arrives at the conclusion that the landowners must be bought out and the State organise the labour of all the nation. This involves the complete overthrow of personal liberty. If we once admit the claim made by "Nunquam" and other Socialists, that "no

man has a right to himself" and that "no man has a right to land," we embark on a course that is perilously near chattel slavery. It sounds very plausible to talk of the people organising everything for themselves, but how is it to be done? Take any individual artisan, clerk, or merchant, and ask yourself, "How much influence has that man in electing a Parliament that makes the laws under which he lives?" The answer must be, "Practically, almost none." He is a mere unit. Take a smaller body, a Town Council or an Urban District Council, what influence has the individual voter? Again, practically none. To give to these or similar bodies the power to say what occupation a man or woman is to follow, what their hours of labour are to be, what their pay, where they are to live, what is to be done with their children—is to hand the nation over into the power of a government compared with which the most despotic government in existence in civilised countries will be free and democratic.

Such Socialist experiments have been tried over and over again, and tried under the most favourable conditions. Bodies of Socialists, filled with the same desires and hopes, have banded themselves to carry out practically the dream of equality. They have all failed. After a short time human nature has asserted itself, quarrels have arisen, and the settlement been broken up. Yet we are asked to believe that taking the nation as at present composed, clever people and fools, industrious people and idle people, moral people and immoral people, sober people and drunkards—to say nothing of the inherent differences arising from differing religious beliefs, political ideas, &c.; yet men will be found skilful enough to organise all this heterogeneous mass, and so manage that each will do his or her proper share of work and be content with the proper share of the produce. We hand over to these governors the army and the police, to be in their hands the instruments of tyranny. It is admitted by all these would-be managers that in every district there must be a hard-labour colony for all who will not do what the rulers desire and command. The home life would be absolutely broken up and even the most sacred relations interfered with. For if the

Government is to provide work and food for all the population it would soon insist upon having the right to regulate the number of people it could provide for. If a vast wave of public opinion rises against these governors, the late Government has shewn us that all that is necessary is to plunge the nation in a war with some foreign power, and another "Khaki Election" will secure their tenure of office; or, if they do not plunge us into war, another Education Act will suffice to distract attention and divide the nation in twain over religious differences.

It cannot be urged that the process would be so gradual that the nation would be prepared for each stage as it arose, and thus confusion avoided. The latest movement is that for "A Minimum Wage," and the advocates of this measure admit that it would be absolutely necessary for the State to provide for the people out of work, and that the first effect of the measure would be to largely increase the number of the out-of-works. It would also, they admit, destroy to a large extent our foreign trade, since it would be necessary to prevent the products of foreign "sweated industry" coming into this country. It would, in fact, absolutely destroy our present industrial system, and thus precipitate the time when it would be necessary for the Government to "nationalise all the instruments of production, distribution, and exchange," and organise the people in one vast industrial army.

The advantage of dealing with "Merrie England" was then, and now is, that it enabled us to criticise the reasons upon which such vast changes in our principle of government are alleged to be necessary. "Nunquam's" chain of reasoning is faulty, and we are enabled to place our finger upon one point after another in his arguments and say "Here is where you have gone wrong." It will be found that "Nunquam," like the Fabians in the "Fabian Essays," depends for his argument upon the effect of the evil wrought by allowing land,—from which labour can alone produce wealth—to be the private monopoly of a few. That is the root of the evil. Man must have land, and if he can only have access to land by the permission of and on the terms demanded by the fortunate

owner, he is, to all intents and purposes, that owner's slave. But in place of saying "Private property in land is the source of evil," the Socialists say "Private property in anything is an evil." There is all the difference in the world in the two things. A man may have a monopoly of a picture, which, owing to the death of the skilled artist, is year by year rising in value; but he does not thereby inflict any injury upon anyone. But, to take the recent case of the newly discovered coal fields in Kent, it is a distinct injury to the nation that one or two men can come forward and say, "This is ours." Still more is it an injury in the case of land that is wanted day by day for use. What we have to do is to break down the land monopoly, and, as I have endeavoured to show in the book, that can best be done by the Taxation of Land Values. In the process of breaking down the land monopoly in this manner we have also raised a fund that will allow us to give Old-Age Pensions, and in many other ways give immediate relief to those who from age or infirmity cannot work for themselves.

It may be urged that "Merrie England" is no longer in extensive circulation, and that if I wished to argue with Mr. Blatchford I ought to have chosen his later work, "Britain for the British." Had the latter work—which is merely a re-hash of "Merrie England"—contained any attempt to deal with the objections I and many others have, on the platform and in the press, raised to his arguments, then the objection would have had some weight; but Mr. Blatchford is a writer who thinks the best way to answer opponents is to ignore them. This is not a heroic method, but probably "Nunquam" thinks it the safest manner of dealing with those who dispute his conclusions. No one knows better than he that the man who more than any other brought this question of poverty to the front in this country, the United States, and Australia, was the late Henry George. In every one of his numerous works Henry George fairly faced the question of Socialism, and endeavoured to prove that it was a cumbersome method of dealing with the social problem, that it denied justice to the individual, and would fail to solve the evils that were crushing

the workers. Some of his books, such as "The Condition of Labour" and "A Perplexed Philosopher," were practically written in order to show where Socialism is wrong. "Nunquam" advises his readers to read Henry George's works, but for his own part shrinks from criticising George's arguments. We have in every English-speaking country thousands who hold that Socialism is not the best remedy; that what is really needed is to break down the land monopoly, and give Labour and Capital access to natural opportunities, and then the worker can work out his own social salvation. We have in this country the Financial Reform Association, the English and Scottish branches of the Society for the Taxation of Land Values, and other bodies, who for years have been engaged in actually disputing with Socialists, and maintaining that the Taxation of Land Values will do more than Socialist remedies can do for the workers; yet "Nunquam," in "Britain for the British," has the effrontery to say, "The remedy for this evil state of affairs—the *only* remedy yet suggested—is Socialism." Such a statement is, of course, absolutely untrue.

But this is not all. I have stated that in the opinion of thousands all that is necessary for the Government to do is to break down the land monopoly by the Taxation of Land Values. Now that has been a plank in the Liberal programme for many years. Resolutions in its favour have been for several years introduced into the House of Commons, and at last even carried against the Tory Government. Many other measures, such as the removal of the taxes on food, the Land Tenure Bill for farmers, &c., &c., have been frequently brought forward as parts of the Liberal programme; yet, according to "Nunquam" in his "Britain for the British," the Liberal programme is confined to the following:—1, Manhood Suffrage (which, by the bye, is not part of the Liberal programme at all); 2, Payment of Members of Parliament; 3, Payment of Election Expenses; 4, The Second Ballot; 5, Abolition of Dual Voting; 6, Disestablishment of the Church; 7, Abolition of the House of Lords. "And," he says, "it is alleged by large numbers of people, all of them, for some inexplicable

reason, proud of their hard common-sense, that the passing of this programme into law would, in some manner yet to be expounded, make Miserable England into Merry England, and silence the visionaries and agitators for ever." Mr. Blatchford thus omits from the programme the most important measure of all, as well as sundry smaller measures, and then sneers at the programme thus wilfully mutilated as being of no use. This is not honest and not British.

Another object in view in re-issuing this work is to urge upon Liberals and Socialists alike the necessity of bringing pressure to bear upon the Chancellor of the Exchequer to include the Taxation of Land Values in his next Budget. When thus introduced it is beyond the power of the House of Lords. Although they may not amend financial measures, the Lords reject them altogether. A separate measure for the Taxation of Land Values may thus be thrown out, but to reject a whole Budget would bring all national government to a standstill. The condition of the masses calls for immediate attention, and, while graduation of the Income Tax or further graduation of the "Death Duties" may bring in revenue, they do not in any way stop the cause of the awful inequalities in the conditions under which the people live and work. The Taxation of Land Values, on the other hand, will not only bring in a large revenue, but also—and more important—cut off the root cause of these inequalities, stop the influx of labourers from the country into the towns, give opportunities for work to the unemployed, provide cheap land for housing, raise wages, and, generally, allow the principle of Freedom such development as to enable the workers to enjoy their full share of the wealth they produce.

J. W. S. CALLIE.

48, SEA VIEW ROAD,  
LISCARD, CHESHIRE, 1906.

## PREFACE TO FIRST EDITION.

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It has not been pleasure but a sense of duty that has caused me to write this reply to "Merrie England." I read several of the articles as they appeared in *The Clarion*, and though I did not agree with much in them, yet I welcomed anything that would have the effect of directing attention to the Labour Problem. But when the work began to be circulated by the hundred thousand; to be accepted as the text book in political economy by many working men; and still more to be quoted as proving the necessity for the creation of a political party, having for its aim the carrying into legislation of the plans suggested in the book, I felt that a reply was necessary.

The question then came, What form was that reply to take? It occurred to me, as I was thinking the matter over, "If you were JOHN SMITH, and NUNQUAM were writing these letters to you, how would you reply to him?" So I determined to write the answer just as if the book had been sent to me, and my opinion personally requested. Hence the title.

I attack his arguments where I think they are wrong, but take this opportunity, in the very preface of the pamphlet, to repudiate any desire to attack NUNQUAM personally. I believe him to be actuated entirely by a desire to elevate the condition of his fellows. Everything I have heard of him has only deepened my respect for him and his motives. But we are dealing with a most important subject, the welfare of all the individuals composing this nation is at stake, and I should be acting the part of a coward if I hesitated to denounce, to the utmost of my ability, measures I think would be fatal to the best interests of the people.

I have endeavoured to shew that "splitting up the Liberal Party" will be a false step: that the programme of that party contains the best and speediest means of improving the condition of the people; and I protest against the assumption that that party is not in earnest. "What is the



Liberal Party?" Do the few men composing the Cabinet, or even the three hundred odd Liberal Members of Parliament, compose the Liberal Party? Certainly not. The Liberal Party consists of the men throughout the country who have sent those men to Parliament. It is a party with grand traditions, and still grander aspirations. All that is wanted to allow those aspirations to be carried into legislation is—Unity. But if, in place of all reformers uniting to carry into effect the reforms we have embodied in the Liberal Programme, we have the advice "Split up the Liberal Party and form another," how can reforms be secured?

Consider the importance of time in this work. Grant that they defeat the Liberals at the next election, will a Socialist Party be put in power? Certainly not. We shall have another six or seven years of Tory rule. Can we expect reforms from the party of privilege? What about the people in our slums during that time? By united action we can help them immediately, by disunion we postpone relief. Nor will it be merely for six or seven years; Socialism will not have the rapid march to victory some of its advocates imagine. It will be several times six years, and though to the artisan, with a regular wage, this may not be a serious matter, the lowest class—the people who need help most—are perishing.

Let us not imitate the Dog and the Shadow, but take advantage of present opportunities: it is the best way to secure the true realisation of a "Merrie England."

J. W. S. CALLIE.

WALLASEY, CHESHIRE, 1895.

# JOHN SMITH'S REPLY

TO

## "MERRIE ENGLAND."

---

### CHAPTER I.

#### INTRODUCTION.

"We maintain that a man may be slain, enslaved, or defrauded, *quite as unjustly* by a government as by a private individual; and that such crimes on the part of a government are usually incomparably more prejudicial to the great body of society than any amount of individual crime that could reasonably be expected to take place in a civilised country. No instance can be adduced of a country being brought to ruin and degradation by individual crime, whereas legislative crime has produced revolutions, persecutions, civil wars, anarchies, and decays innumerable."—*P. E. Dove.*

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MY DEAR NUNQUAM,

I have read your letters which have been reprinted under the title of "Merrie England" with interest.

You have, no doubt, put the case for Socialism in an attractive form; but there is no advantage you claim for it that cannot, in my opinion, be secured by carrying out the Liberal programme, and without the red-tapeism and interference with individual liberty Socialism involves.

There is much in your book with which everyone will agree, at least in theory. You say that we ought to pay less attention to our animal needs, and more to our mental requirements. This has not, of necessity, any connection with Socialism. I do not need to be a Socialist in order to become a teetotalter, non-smoker, or vegetarian.

A

Again, there are many things in your book that are, and have been, advocated as strenuously by the Radical as by the Socialist. It is absurd to try and make out that Socialists are the only people who are striving to bring about a change for the better in the condition of the workers of this country. It is because *I do not* believe that the present conditions are good or fair that I am a Radical. If I thought they were good I would be a Conservative—that is, try to conserve them.

As a Radical, I protest against the assumption that runs throughout the whole of “Merrie England,” that you are more in earnest, more sincere in your efforts to promote the welfare of the masses of the country than I am. So far from that being the case, I hold that the Radical programme will do far more for the workers of this country than your Socialist programme will.

You Socialists do not fight fair. For instance, you insist that there is no choice between the present conditions—which we all admit to be bad—and Socialism. On page 99, you say:

Good or bad, wise or foolish, Socialism is the only remedy in sight. None of its opponents, none of your friends the members of Parliament, the old trade union leaders, Tory or Liberal editors, parsons, priests, and lawyers, men of substance have any remedy to offer at all.

Did you ever read a book called “Progress and Poverty”? You advised me to read it, but have you ever read it yourself? I do not think you have, otherwise you would have known that Henry George, the man who has done more than anyone else to bring these social questions to the front in this and all other English-speaking countries, says that the taxation of land values, by breaking down the land monopoly, and thus allowing labour access to natural opportunities, will *solve the labour problem*. Yes; solve it.

Do you know that the taxation of land values is a plank in the Liberal programme? If you had read George's works you would have known that Henry George is no Socialist. That is, according to the idea of Socialism in “Merrie England.” For

Mr. George's opinion, see *footnote, page 14*. Had you known anything of the George movement you would have known that many of the Socialists are his bitterest opponents. I myself was present at a meeting addressed by him in Manchester some three years ago, when some of the Socialists of Manchester tried to break that meeting up, and left the hall shouting out "Three cheers for the bloody revolution!" Grönlund and other American Socialists attack George and try to answer him. You practically boycott him.

I know you will say that you have advised me to read Henry George's works, but you have advised me to read a whole lot of books, far more than my time will allow me to read or my purse to purchase.

A working man has not much leisure for reading, nor much money to spend in books, and if I am to follow your advice it will be a long time before I read any of George's works. In the appendix to "Merrie England" you give the books I ought to read, *and the order in which I ought to read them*. In what position do George's works come.

First I am told I ought to read sixteen pamphlets, costing one and sevenpence.

Then—not "Progress and Poverty"—but "The Child's History of England," by Charles Dickens. Now, I admire Dickens as a novelist; but a historian requires a very different set of qualities to the novelist, and though I will be the first to admit the breadth of view and the large-mindedness of Charles Dickens, yet I do not think that he can be taken as an authority on matters of history.

The next book is "Hard Times," also by Dickens. This is a novel, but though it will explain what you mean when you call capitalists "Gradgrinds," it will not throw any light on the labour problem.

After spending five shillings on these two books, I am next told to read Thackeray's "Book of Snobs," an exposure of some

phases of London club life, but again not of the slightest use as a study of the labour question.

And so on. I have to read these pamphlets and then sixteen other books, expending nearly thirty shillings, and, after all these, come—

17, "Social Problems," by Henry George.

18, "Progress and Poverty," by Henry George.

If you had read George's works yourself you would have known that he over and over again attacks Socialism as unnecessary. Yet throughout the whole of "Merrie England" we do not find the slightest attempt to reply to any of his attacks.

You take the "Liberty and Property Defence League" as the representatives of Individualism. Now, they are much easier to answer than George; but, if you want to convert a nation to your views and not merely to gain a paltry advantage over opponents, you ought to have taken the strongest advocates of Individualism, not the weakest.

I protest against your wholesale denunciation of capitalists as grasping, selfish men, whose idea is to make money. There are many such; but is selfishness the private monopoly of capitalists? Have the workers none of it at all? There are good and bad in every class. Be fair to the capitalist, and do not hold him up as simply a man-devouring ogre.

Again, I protest against your attacks upon the "Manchester School." You seem to think that the man must be constantly denounced for his shortcomings as a child. The Manchester School did a good work in its day. They saw that there was a great evil pressing on the people and ruining trade—the high price of food, owing to the Corn Laws. They believed that if they could only get free exchange of commodities all would be well.

They got free exchange of commodities, but found that still there was a labour problem. In the speech delivered at

Rochdale on November 23, 1864—*his last speech*—Mr. Cobden said—

*The Edinburgh Review* of last month . . . . speaks of the measures that still require to be carried out in England in our domestic policy, for which course we shall have time when we give up meddling with everybody's affairs on the face of the earth. Now here are the reviewer's own words, in speaking of the domestic reforms which await our attention at home, "We have still to apply to land and to labour that freedom which has worked such marvels in the case of capital and commerce." Bear in mind, this is not my language about "Free-trade in land." But I say "Amen" to it. If I were five-and-twenty or thirty, instead of unhappily twice that number of years, I would take Adam Smith in hand—I would not go beyond him; I would have no politics in it—I would take Adam Smith in hand, and I would have a League for Free Trade in Land, just as we had a league for free trade in corn. You will find just the same authority in Adam Smith for the one as for the other; and if it were only taken up as it must be taken up to succeed, not as a political, revolutionary, Radical, Chartist notion, but taken up on politico-economic grounds, the agitation would be sure to succeed; and if you can apply free trade to land and labour too—that is, by getting rid of those abominable restrictions in your parish settlements, and the like—then, I say, the men who do that will have done for England probably more than we have been able to do by making free trade in corn.

You put down to selfishness what was merely due to lack of knowledge. They thought free trade in corn would prove the solution of the Labour Problem. When they found it was not so, they went further, and, perceiving that the fault lay in the land question somewhere, went in for Free Trade in Land.

Had Cobden lived he would have perceived that free trade in land was not enough. Many of his followers perceive it now. But because they were not able to fathom the real evil, that is no reason why they ought not to have credit for what they did. The logical outcome of the Manchester School of teaching is that plank—The Taxation of Land Values—whereby the land monopoly will be broken down. The men who support this reform are the representatives of the Manchester School; not some Tory who adopts as his ideas the real Manchester Schoolmen have outgrown.

Why, take your own case. On page 29 you say—

The Manchester School would have us believe that we cannot feed 36 millions.

Yet the very preceding paragraph on that page is—

Now read this quotation, from a speech of Mr. Cobden's at Manchester:—

“ I have heard Mr. Ogilvey say—and he is willing to go before a committee of the House to prove it—that Cheshire, if properly cultivated, is capable of producing three times as much as it now produces from its surface . . . and there is not a higher authority in the kingdom.”

That was in 1844, at a time when England grew wheat for 24,000,000 of its people.

Here you say the Manchester School disputes your assertion, yet the man you quote in proof of your argument is Richard Cobden, the head, the mainspring of the Manchester School. Be more particular how you fling these charges around, Nunquam.

## CHAPTER II.

## THE PROBLEM TO BE SOLVED.

Take the case of any one of these vast masses of unemployed men, to whom, though he never heard of Malthus, it to-day seems that there are too many people in the world. In his own wants, in the needs of his anxious wife, in the demands for his half-cared for, perhaps even hungry and shivering children, there is demand enough for labour, Heaven knows! In his own willing hands is the supply. Put him on a solitary island, and, though cut off from all the enormous advantages which the co-operation, combination, and machinery of a civilised community give to the productive powers of man, yet his two hands can fill the mouths and keep warm the backs that depend upon them. Yet where productive power is at its highest development, he cannot. Why? Is it not because in the one case he has access to the material and forces of nature, and in the other this access is denied?—"Progress and Poverty," p. 190.

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Let us look at your statement of the problem to be solved and its solution. On pages 11 and 12 you say—

Now then, what is the problem? I call it the problem of life. We have here a Country and a People. The problem is—Given a Country and a People, find how the People may make the best of the Country and of Themselves.

First, then, as to the capacities of the country and the people.

The country is fertile and fruitful, and well stored with nearly all the things that the people need.

The people are intelligent, industrious, strong, and famous for their perseverance, their inventiveness, and resource.

It looks, then, as if such a people in such a country must certainly succeed in securing health, and happiness, and plenty for all.

But we know very well that our people, or at least the bulk of them, have neither health, nor pleasure, nor plenty.



Now I assert that if the labour of the British people were properly organised and wisely applied, this country would, in return for very little toil, yield abundance for all.

Your remedy is a very cumbersome one. Organise and wisely apply the labour of the people! How long will it take you to do that?

Even if you had the majority of the people in your favour now it would be a long time before you could carry out the mere details of your scheme; and in carrying that scheme out you would have to inflict an enormous amount of hardship.

It would necessitate endless confusion, the separating of families, of friends; and in many ways would be worse than even the present state of things.

In dealing with this labour problem we must take time into account. What we want is not a Utopia that can only be reached, if ever, after many years of educational work, but some scheme that can be put in operation at once.

The way I would put your problem would be, "Here we have a country 'fertile and fruitful, and well stored with nearly all the things that the people need'; and the people are 'intelligent, industrious, strong, and famous for their perseverance, their inventiveness, and resource'; *but they are not allowed access to this well-stored land* to produce from it by their labour the things necessary for their existence or the gratification of their desires. The first thing, therefore, we have to do is to GIVE THE PEOPLE ACCESS TO THE LAND."

There is no problem here at all. Everything—necessaries, luxuries, all wealth—is produced by labour from land. If labour be not allowed to use the land, these things cannot be produced; if access be allowed, they can.

The people at present are not working for themselves, but for the landowners. If Robinson Crusoe, in place of making Friday his slave, had said to him, "Friday, you are a man and a brother; you can have a vote, you can do anything you like, you have perfect liberty, except that this island belongs to me,

and you can only live on it by agreeing to whatever terms I demand," where would have been Friday's freedom? He must live on the land, and, therefore, if he had to live upon that land by permission of Crusoe, he was, to all intents and purposes, Crusoe's slave.

THE FIRST THING you must do is to give the people access to the land. Without that, all your organisation will be useless. Your organised people cannot put a spade into the land or pluck a berry from a bush—cannot do anything, in fact—without permission of the landowners.

I am aware that you intend the people to own the land, as you intend them to own everything. What I want to show is that land is different from everything else, and that the land question is the first thing attention must be given to. The other things can wait, this cannot; and the Liberal programme will give this access far sooner and far better than the method you propose.

The fact that you do not consider the land question the first thing that must be attended to is evident from what you say on page 106:—

Suppose, then, that we have a Socialist public and Parliament. What is to be done? Perhaps we should begin with the land. Perhaps with the unemployed. Perhaps with the mines and railways.

The very fact of your saying "Perhaps we should begin with the land" shows that you have not appreciated the importance of this point.

What would you do if you began with the unemployed before you began with the land? Organise them?

Organisation is not the end, but only a means to an end. Organising the people would not provide them with the next meal, let alone solve the labour question.

No. First of all, break down the land monopoly, so as to give the people access to the land. Then they will organise themselves without your help.

For, as George puts it ("Progress and Poverty," page 53)—

*"The demand for consumption determines the direction in which labour will be expended in production."*

Let us take the case of a village shop, or a store in the backwoods. Say the people who buy from the shop or store-keeper are engaged in food-producing. Every article they buy lessens the stock of that particular article in the store. Now, when the store-keeper orders more goods, he will not order more of the goods that have not been taken—he has plenty of them—but of the goods that have been in demand and his stock of which has been lessened.

If they have bought cloth, the store-keeper orders more cloth to take the place of that withdrawn from his stock. Thus the men have set production going in a certain line, viz., making cloth. The same applies to everything they buy. To procure these things ships, railways, machinery, &c., are required. Trace a single article back to its beginning, and you will perceive the multitude of services brought into being.

What do we mean by buying? The workman at the end of the week receives his wages in money. But money is not wealth, but merely the representative of it. The worker has in reality added so much wealth to the general store of wealth, and received so much money as acknowledgment.

He spends part of this money in buying clothes, food; pays so much for house rent, &c. That is, he has exchanged part of the product of his labour for the labour, or product of the labour of the tailor, cotton or woollen goods maker, agriculturist or stock breeder, cotton grower or sheep farmer, joiner, bricklayer, &c.

All these things work in a circle. The food workers require other goods and services, and the producers of other goods require food. Throughout the whole of this circle of exchanges demand for goods determines the production of the goods.

But, you may point out, "the present organisation is bad. We have over-production of goods on the one hand, and on the other, people in need of the very things of which we have over-production."

True; but this is not due to lack of organisation, but lack of opportunity to produce. Production has been checked somewhere. What is Production? The result of application of labour to land. But if labour is willing—nay, anxious—to work, it follows that the labourer must somewhere have been denied access to the land.

Experience proves this. A comparatively few years ago access to land could be had easily in America and Australasia. Now the land of these countries is not used up; there is no over-population there. But it is the private property of a very few "owners," and labour cannot have access to it. In New South Wales and in New Zealand some 250 men "own" over two-thirds of the alienated land.

What is the result? Although population is scanty, very scanty, in these countries, the labourers cannot get on the land, and are crowded into two or three large towns.

All that is wanted is to break down the land monopoly, and labour would spread itself over the land and produce wealth. But each producer would be also a consumer. He is producing food and raw materials; but, as a consumer, he is directing the production of other goods—manufactures—to supply his wants.

Everyone must recognise that the depressions of trade from which we and all other countries are suffering come more frequently and last longer than they did. We have had land monopoly in this country, but land in the so-called new countries was open to labour. The food producers in those countries could exchange the products of their labour for our manufactures; but now the land monopoly prevents labour from producing in these countries, and consequently stops the demand for our manufactures in exchange.

It is the land monopoly in this country that makes us dependent upon these other countries. Here we have labour divorced from the soil also—land asking to be cultivated, so to speak; labourers asking to be allowed access to the land.

It is the land monopoly here that causes Britain to be "the workshop of the world." If we are not allowed to produce food, &c., for ourselves, we must manufacture other things and exchange them for foreign food stuffs, or raw material.

If we were allowed access to natural opportunities in this country we would still have a considerable amount of foreign trade, but it would be of a totally different description from the present. By sub-dividing labour a greater product is secured for the same amount of labour. This need not be confined to this country. We could still go on producing and exchanging the products of our labour for the products of the labour in other countries, whereby we and all these countries would benefit.

Land in this country that is kept out of use, though wanted badly by the people, escapes taxation; while, on the other hand, land put to use is taxed in proportion to the use it is put to.

The better the use the land is put to, the heavier it is taxed. What we want, therefore, is to alter this. Let the land be taxed upon the value it would have if put to its best use, and the tax be levied whether the land be put to use or not. In this way it will be impossible for a man to keep his land out of use, since it will ruin him to pay taxation where he is not receiving rent.

This is, as I have said before, one of the planks of the Liberal programme; and if you would co-operate with us, in place of trying to get up another party, thereby weakening the forces of reform, we could get it embodied in the next Budget.

The advantage of this is that it can be done without any interference by the House of Lords. It does not involve "Compensation," and can be put in operation at once.

Of course, as I have said, you propose that the people shall own the land ; but in order to get it you agree to buy the land from the landowners, thereby creating an idle class in your Socialist community.

In fact, since you are going to buy out the landowners, the railway shareholders, &c., you will have a very large idle class, living in luxury upon the earnings of the workers, although you say that under Socialism everyone will be compelled to do some kind of useful work.

Again, since you are going to pay wages differing according to the kind of work done, I am afraid that you will not be able to escape that competition you so strongly denounce, and, in fact, that your Socialistic state will in reality be rather worse than the present condition of affairs, bad though that is. However, I shall deal with these various points later on.

In the meantime I want to show that poverty, overcrowding, sweating, and the other forms of our present industrial slavery can be clearly traced to the land monopoly, and that all that it is necessary to do is to abolish that monopoly, and things will speedily right themselves.

I shall also show that many of the things you denounce as the evil effects of Individualism are in reality Socialistic, while, on the other hand, many of the good things you claim as Socialistic are quite as much, if not more, Individualistic in their origin and action.

In speaking of Individualism, we must give a common-sense meaning to the term. We each are at once individuals and members of the community, and the idea that is apparent throughout "Merrie England" that Individualism precludes the co-operation of the different members of a community for the purposes of defence or for carrying out public works that will be of benefit to the community is absurd.

If a man has a right to protect himself against violence, he has a right to employ someone else to protect him ; nor is the

right of the individual interfered with if several men employ the same person to protect them. The policeman or the soldier is no more an example of Socialism than of Individualism.\*

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\* This is well put by Mr. Henry George. He says:—"Man is primarily an individual—a separate entity, differing from his fellows in desires and powers, and requiring for the exercise of those powers and the gratification of those desires individual play and freedom. But he is also a social being, having desires that harmonise with those of his fellows, and powers that can only be brought out in concerted action. There is thus a domain of individual action and a domain of social action—some things which can best be done when each acts for himself, and some things which can best be done when society acts for all its members. And the natural tendency of advancing civilisation is to make social conditions relatively more important, and more and more to enlarge the domain of social action. This has not been sufficiently regarded, and at the present time evil unquestionably results from leaving to individual action functions that, by reason of the growth of society and the development of the arts, have passed into the domain of social action; just as, on the other hand, evil unquestionably results from social interference with what properly belongs to the individual."—"Protection or Free Trade," page 324.

## CHAPTER III.

## COMPETITION AND PREROGATIVE.

It seems to us that the vice of Socialism in all its degrees is its want of Radicalism of going to the root. It assumes that the tendency of wages to a minimum is the natural law, and seeks to abolish wages; it assumes that the natural result of competition is to grind down workers, and seeks to abolish competition by restrictions, prohibitions, and extensions of governing power. Thus, mistaking effects for causes, and childishly blaming the stone for hitting it, it wastes strength in striving for remedies that, when not worse, are futile.—"The Condition of Labour" (*Henry George*), page 87.

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Probably the most important chapter in your book is that dealing with "Competition," and therefore, with your permission, I shall now deal with that. On page 43 you say, "The chief causes of the evils I have pointed out to you, John, are Competition, Monopoly, and Bad Management." Thus you give the first place to the evils of Competition as the cause of our present misery. Let us examine if this be so.

The subject is dealt with at length in Chapter X. On pages 79 and 80 you say:—

By what means do the rich retain their riches, and by what means are the poor deprived of the wealth they create?

There are two causes of this injustice, John. The first is "prerogative," and the second is "competition."

The instrument by means of which our landed aristocrats wrest their riches out of the hands of the workers is "prerogative," or privilege.

Noblemen have had their estates given to them by the Crown—often for some base or cruel deed—and they keep them by means of laws made by a Parliament of landlords.

By prerogative I presume you mean the monopoly of the land. It is a pity you do not use the term "land monopoly,"



for that is a particular form of prerogative; and prerogative itself is a word that embraces a great many things. Now, in regard to the land monopoly, I need not say that I thoroughly agree with you. In Molesworth's History I find that up to the time of the passing of the Reform Bill 150 men had sufficient power to return a majority of the members of the House of Commons. Again, a man had to be possessed of a certain value in land before he would be allowed to become a member of Parliament. As the late Perronet Thompson put it, each man had to take an oath that he had a pecuniary interest at stake in the things he would be called to legislate upon. Now, even landowners are human, and, therefore, it is not surprising that in anything relating to land they steadily set their faces against any reforms. You then go on to say:—

The English Parliament of to-day is a Parliament of privilege. It is not a democratic body. Abolish election fees, pay your members, pass Acts for granting universal suffrage, second ballot, and one man one vote, and you will have a Parliament elected upon democratic lines. At present there are not a dozen workmen amongst the six hundred and sixty members; and *then* there is the House of Lords.

It is quite true that the present Parliament is not in one sense a democratic body, but please do not forget that payment of members and election expenses, one man one vote, &c., are included in the Radical programme.

But you may say that the Liberals have had plenty of opportunities of passing these things into legislation if they desired really to do so. I am not so sure of that.

Reforms cannot come from the Government—they must be urged upon Government by the force of popular feeling—and, though a few may have been very enthusiastic over these questions, it is only of recent years that the bulk of the people have really taken any interest in them.

You go on:—

So much for the great realm of Rent. Outside that we come to the still greater realm of Commerce. Here there is not much prerogative, but there is a more deadly thing—there is

**Competition.** Competition is the instrument by which, in the commercial world, one man possesses himself of the fruits of other men's labour.

In the world of Commerce there are two chief classes, the employers and the employed. Both these classes are engaged in competition. One employer competes against another, and one worker competes against another, the result being that the workers always suffer.

You make a mistake in saying that there is not much "prerogative" in the realm of commerce. If the matter were properly investigated, you would find that a very great deal that is put down to capital really ought to go to rent, or monopoly of land.

Take the Mersey Docks and Harbour Board, for instance. Their revenue is derived through the monopoly they possess of the shores of the River Mersey. But their profits are put down as profits of capital; most of them are profits arising from the monopoly of land.

Your own Manchester Ship Canal is another instance. How much of that "capital" is payment for the land through which the canal was dug?

Take the railways—all "capitalist enterprises," commonly called, but in reality, for the most part, rent. What gives a gas or water company its power? The monopoly of laying the pipes through the land of a district.

The manufacture of gas, the running of a rail or tramway, the supplying of water are all things that could easily be done by a company: but, because it would not do to allow any company that chose to open up the roads and derange the traffic while they laid down pipes or tram lines, and also to put some small curb upon the exactions of the landowner in the price demanded for use of the land, an Act of Parliament becomes necessary, and these things are made the monopoly of the few.

Much of the dividends of companies owning the land upon which their mills are built ought to go, not to capital, but to rent.

It is owing to the fact that land is so often wrongly classed as capital that the real amounts that ought to go as rent and interest respectively are so misunderstood. In this confusing of the terms Socialists are great sinners. If they hated the Devil as much as they hate defining the terms they use they would be a good lot.

You say to me, on page 11 :—

If you had to do a problem in arithmetic, or if you were cast adrift in an open boat at sea, you would not set to work as a Wesleyan or a Liberal Unionist ; but you would tackle the sum by the rules of arithmetic, and would row the boat by the strength of your own manhood, and keep a look-out for passing ships under *any* flag.

Apply that advice, which is very good advice, to your own book. If you want to solve a problem in Political Economy, do it according to the rules of Political Economy. Define your terms, say what you mean by the words you use, and stick to that meaning.

On page 58 you say :—

Well, it is true that the land and all the mines, mills, houses, and machinery—that is to say, the “ Land ” and “ Capital ”—of this country are owned by a few rich people.

On pages 65 and 184 you quote John Stuart Mill, as follows :—

The requisites of production are two, Labour and the appropriate natural objects. The land subsists, and the land is almost the only thing that subsists. Everything which is produced perishes, and most things very quickly. Capital is kept in existence from age to age, not by preservation, but by perpetual reproduction.

Here you have “ Land ” *and* “ Capital ”—land the thing that subsists, capital the thing that requires to be constantly reproduced by the application of labour to land. Yet on page 182 you say, “ Under the term capital we include land.”

It is this confusion of terms that beclouds you throughout the whole book.

You start out with the idea that Capital is the foe of the worker, and make your definitions fit in, forgetting that, in lucid intervals, you have admitted and emphasised the difference between the things you in other places say are one and the same.

## CHAPTER IV.

## COMPETITION.

On Socialism the analysis of the economic action of individualism bears as a discovery, in the private appropriation of land, of the source of those unjust privileges against which Socialism is aimed.—“*Fabian Essays*,” p. 26.

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You are wrong in saying that “Competition is the instrument by which, in the commercial world, one man possesses himself of the fruits of other men’s labour.” Competition is a natural law whereby justice is secured, whereby one man receives only the proper reward of his labour, and is prevented from “possessing himself of the fruits of other men’s labour.”

We do not say, because dynamite is used occasionally to make a few explosive bombs, that “dynamite is a material used for blowing men to pieces.” The evils you blame on Competition are not due to competition at all, but to the land monopoly, as I shall shew.

You first take the case (pages 80-82) of a farmer who by means of a wooden spade raises ten bushels of wheat a year, and of a smith who makes iron spades, with one of which the farmer could raise twenty bushels a year, and say, “Now, let us see in what relations this buyer and seller of spades stand to each other as just men and as traders.” As just men, *and* as traders. You are like the sailor who, reading on a tombstone

“Here lies

A lawyer and an honest man,”

said it seemed a small grave for two. However, let that pass. Sometimes the distinction comes in useful. In the Government Accounts there is an item for Law *and* Justice. You say:—

In justice, the day's work of the farmer should be sold for the day's work of the smith. So if a smith can make ten spades whilst a farmer is raising twenty bushels, then the just price of spades is two bushels each.

As traders, it will *pay* me to give eighteen bushels of wheat for one iron spade, since that spade will bring me two bushels extra.

Therefore, if there is only one smith, and if he will not sell a spade for less than eighteen bushels, I shall certainly pay that price.

Under these circumstances the smith will soon grow rich.

But there is my side of the bargain as well as his. I may refuse to pay that price, knowing that he can only buy wheat from me.

In that case he must lower the price of his spades, or dig his own wheat. In the end we should probably come to a fair arrangement.

There is nothing wrong here, as you admit. The farmer can take the spade or leave it; the same in regard to the smith and the farmer's wheat. There is no competition at all. Each is exchanging the result of his labour at a profit. You then go on to say:—

But suppose there are two men growing wheat, and only one making spades. Then the two farmers are in competition, and the smith may raise the price of his spades.

Or, if there are two smiths and only one farmer, then the price of spades will fall. Why? Because it will pay the smith better to take three bushels for his spades than to grow wheat; therefore each smith will drop his price, so as to secure the order of the one farmer, down to the point where making spades ceases to pay better than growing wheat.

These are instances of competition. But where does the harm come in? The farmer can make the spade for himself, or grow wheat and exchange it for the spade, according as he thinks it will pay him. The same with the smiths. We may be perfectly sure that none of them will work at an unprofitable occupation when there is a profitable one to which he can turn his hand. The farmer will not give more for the spade than the equivalent of the time he would take to make one for himself, and the smiths will not abandon producing wheat for themselves unless the farmer will give them a reward which will keep them in at least as good a position as if they were

producing wheat for themselves. If a man can earn 30s. a week by working for himself, he will not work for anybody else for less than that.

But look at your second example. (The italics are mine.)

But, now, suppose that not only are there two smiths and only one farmer, but *that the one farmer owns the whole of the land*. Then the smiths are obliged to sell spades *or starve*, and they will farther drop their prices down to the lowest point at which they can manage to exist.

Here I admit you have an evil, but competition is not to blame. In the first case, with access to the land open, your smith must accept the bid of the farmer or grow wheat for himself. But when you have made the farmer *the owner of the land* the smiths have to accept his offer *or starve*. In the first case, if either the smiths or the farmers are getting more than a fair reward for their labour others come into the trade, and bring down prices to a proper level. As you have said, "In justice the day's work of the farmer should be sold for the day's work of the smith. It is only by competition that this can be secured, and competition does secure it.

But that is the case only when there is no private monopoly of the land. Introduce that, and injustice comes along with it. Lay the blame on the right shoulders. Do not blame Competition for the sins of the Land Monopoly.

What would we think of a jury who had to hold an inquest upon the body of a man who had been pushed over a precipice by another man, and who brought in a verdict of death due to the Law of Gravitation, and made a presentment that the Law of Gravitation ought to be abolished? Yet you do quite as foolish a thing in your denunciation of the law of competition. Look at the examples you choose to illustrate the effects of this law.

Further on you say:—

Let us now consider the effect of competition amongst the workers.

The worker has nothing to sell but his labour, and he must sell that to the middleman. Now, suppose a middleman wants

a potato patch dug up, and suppose there are two men out of work. Will the middleman pay one of the men a just price, and charge the labour to the consumer of the potatoes? No. He will ask the men what they will do it for, and give the work to the man who will do it at the lower price. Nor is that the end of the mischief. Say one man gets the work at 3s. a day. The other man is still unemployed. He, therefore, goes to the middleman and offers to do the work for 2s. a day. Then the other man is thrown out of work, and must go in for 1s. 6d. a day—or starve.

And so we see that competition among the workers reduces the workers' wages, and either increases the middleman's profits or lowers the price of potatoes

"The worker has nothing to sell but his labour, and he must sell that to the middleman!"

Who is this middleman? You have mentioned him, but I don't think you know who he is. Let me tell you about him.

You remember, in the last illustration, how, when you made the farmer a present of the land, he made the smiths work for a mere subsistence wage. Well, more people came into that district, and one smart man said to the farmer, "Look here, I am a farmer also, but, since you own the land, of course I can't work on it. But why need you work? I'll work the land, and give you enough to keep you in comfort, without you having to do a hand's turn of work again."

His offer was accepted. He keeps the landlord in idleness and luxury out of the produce of the labour of those who work for him, and has a profit to himself into the bargain.

He is a creation of land monopoly; destroy it, and you destroy him. There are other classes of middlemen, to whom I shall refer later, but I want you to note this particular one well. His rise has been cleverly traced in the first of the Fabian Essays. You will find there that he is purely caused by land monopoly.

"The worker has nothing to sell but his labour, and he must sell it." Again, Nunquam, why?

In the first part of your illustration we have the workers selling wheat and spades. Wheat and spades are not labour,



but the products of labour applied to land. How is it there is such a difference between the condition of the workers in the first part of your illustration and the second? Nunquam, you are fond of quoting Dickens. Do you remember the man in "David Copperfield" calling out "Blind, blind, blind"? Can you not perceive that your action in making the farmer the *owner of the land* has produced all the difference. You blame competition, but if you will look at your own illustration you must perceive that it is not competition at all, but land monopoly that is the evil.

All wealth is the product of labour applied to land—only to land, though, of course, in the term we include the water, mines, and other natural resources which are capable of being appropriated by man. *Labour applied to land.* Cut off access to land, and labour is helpless—absolutely helpless. Without the land monopoly *man can produce and exchange the products* of his labour. With land monopoly, man, denied the means of working for himself, has to find someone who will graciously permit him to work, and, as a reward for the permission, take almost all that he produces off him.

Here, again, what is the common-sense remedy? Abolish the land monopoly. What is the good of talking of organising the people, competition, &c.? Go to the root of the matter, and abolish the *cause* of the evil.

Let us go on to your other examples.

Consider next the effect of competition amongst the middlemen. There are two farmers growing potatoes. Each farmer wishes to get all the trade. Both know that the public will always buy the cheapest article. One farmer drops his price. This *compels* the other to drop his price, for if he did not he would lose all his trade. And when he drops his price the first drops his still lower, and so on, until neither farmer is making any profit. And *then* they compel their men to work for less wages.

And so we see that competition amongst middlemen reduces profits, reduces wages, and cheapens potatoes.

This, of course, applies to all trades, and not only to the potato trade.

Here we have two farmers selling potatoes. They compete with each other until the public get potatoes at absolutely cost price, and neither of the farmers gets any profit. Well, there is no harm here. If these men are such fools as to work without profit, I don't see that is any concern of anybody else. The public are getting an advantage, that is undoubted. Further, since a man cannot live on the pleasure of working, these farmers will be starved into sense in a very short time.

But you point out that they "compel their men to work for less wages." Now, here is an evil. But what is the cause? What are these workers doing? Producing potatoes. What do they receive as their reward? *A portion* of the potatoes they produce. Why do they not get all? Because *they have to sell their labour, not the products of that labour*. And why? Because the man you gave the land to will not allow the labourer to use it.

To repeat what I have already said, if the worker could get access to the land, he would work on it and keep the products of his labour as his reward or wage; but since he cannot work for himself on it, and must live, he has to go, cap in hand, to the man who has access to it, and ask him to kindly allow him to work for him, and, as an inducement, offer to allow him to retain for his use most of the products of his labour. The amount of the product he will allow the farmer to keep as his own will depend on the number of labourers there are in the same position as himself. You go on to say:—

Now, your friends the capitalist members of Parliament, and *their* friends the stupid and dishonest men who farm the newspaper Press, will tell you that wages are regulated by the law of supply and demand, and that it is to the interest of the worker that the prices of all things should be low.

Both these statements are lies.

Wages in this country are not regulated by the law of supply and demand. They are regulated by competition, and it is not to the interest of the workers that commodities should be cheap.

Let us take these statements one at a time. *Wages are regulated by the law of supply and demand*, but, as I have

shewn in the preceding paragraph, this is only an evil because of the land monopoly.

You say they "are regulated by 'competition.' " Quite true, but that does not make the other statement a "lie." If the demand for labourers is great and the supply of labourers small, there will be competition amongst the employers for possession of the services of the labourers. If the demand for labourers be small and the supply abundant, there will be competition amongst the labourers for employment. In both cases there is competition, and in both cases the law of supply and demand governs the rate of wages.

Before I have done with this part of the subject I shall shew you that you cannot avoid competition. You must have it, even under Socialism. It is the natural method of adjusting the desires of different people to engage in any particular forms of labour.

Again, you say that "it is not to the interest of the workers that commodities should be cheap." What is the meaning of the commodities being cheap? We have got out of the barbaric stage when every man produces everything for himself. Each man now contents himself with producing some one particular article, often one small portion of one article. This is good, for it enables him to become proficient at producing that particular thing, while others are expert at producing other things, and the total product of the industry of the community is infinitely greater than if we had each been doing everything for himself.

Though each is paid in money, yet, as that money is of no use until it is exchanged for goods, we perceive that in reality each is exchanging the products of his labour for the products of the labour of others. Now, commodities being cheap means simply that we each receive a larger quantity of goods in exchange for the products of our labour. Cheapness is no hardship to the worker; nor if he received double wages, while the price of everything he had to buy was doubled, would he be better off.

"The stupid and dishonest men who farm the newspaper Press" do not say simply that it is to the interest of the workers that the prices of all things should be low, but that low wages are to a great extent compensated by the fact that the prices of everything that the worker has to buy are low also. It is a matter of indifference whether prices are cheap or dear. It is the relation of wages to all commodities that is the real question.

But you go on to deal with the law of supply and demand, and say:—"Many people have got muddled over this law of supply and demand. Their confusion is caused by a failure to understand the difference between natural and artificial cheapness." One person has got muddled over it, I am afraid. Let us see, Nunquam, how you work it out. You give as the first illustration a "community" of two men. Well, one thing is certain—you could not have a much smaller "community." It sounds very like "a crowd of one." Half of this community of two men grows wheat, the other half catches fish.

If the fisherman has a bad catch and gets less fish than usual, then he cannot give so much fish for so much wheat as he is wont to do. That is to say, fish is naturally *dear*. If the farmer has a bad harvest, then wheat is naturally dear. If the fisherman has a great haul of fish, then he can give, perhaps, ten times as many fishes as usual for a loaf of bread. Fish is naturally "cheap." That is to say, it is justly cheap, because a greater quantity than usual has been got with no more labour than usual, and the *just* basis of exchange value consists in the amount of labour embodied in the things exchanged.

The requirements of justice are perfectly satisfied by a person giving for an article he desires the amount, whether in goods or money, at which he values it. Unless it be worth, in his opinion, more than the things he barter for it, there is no need for him to take it.

Mr. Henry Dunning McLeod, in his "Principles of Political Economy," gives an illustration of this. He supposes a sailor exchanging an axe which cost him half a crown for a couple of shells, with the natives of some foreign land. The sailor thinks the savage a fool for giving him a couple of shells which

he can sell for two or three pounds for an axe which only cost him half a crown. The savage, on the other hand, thinks the sailor a fool for giving him a capital axe, with which he can do twice the amount of work he could previously do, for a couple of trumpery shells which can be picked up for nothing by going a day's journey to the place where they are to be found. As a matter of fact, neither of them are fools; each gets that which he values far more than the thing he parted with. Each gains, neither loses. Justice is perfectly satisfied.

You say, in a foot-note:—

Coal is dearer than water because there is more labour involved in getting it, and because it is not so easy to take from place to place. When we buy coal we do not pay for the *coal*, but for the *labour* used in getting the coal and bringing it to our cellars.

This particular illustration is quite wrong. We do pay for the coal itself. We pay the landowner, who says the coal is his, and unless we pay him he will not allow labour or capital to get it. You surely have heard of "Mine Rents" and "Royalties." What are they but payments to the landowner for the coal itself? We pay for the labour in addition.

But then you go on to increase the population of your community by 50 per cent. There are now three men.

But now suppose we have a community of three men. One is a farmer, and claims the land as his. Another is a fisherman, who owns the only boat. The third is a labourer, who owns nothing but his strength. He cannot grow wheat, for the farmer will not let him use the land, nor catch fish, for the fisherman will not lend him his boat.

He goes then to the farmer, as a labourer for wages, and the farmer gives him, as wages, just as much wheat as will keep him alive.

Here we have it again. The farmer *claims the land as his*. Just what I have been telling you. Can you not see where the evil lies? Why, man, you are so close to the reason yourself that if it were a dog it would bite you. It is the land monopoly that has made the change. The extra man being there has nothing to do with it.

The result of this arrangement is that, as there are now two men working on the land, there will be twice as much wheat.

The farmer now gets two shares of wheat, but, as he only pays the labourer half a share, and keeps a share and a half for himself, he can give more wheat to the fisherman for his fish. That is to say that wheat is now unjustly cheap. It is cheap not because of the bounty of nature, but because the labourer has been swindled out of his rights.

The farmer *can* now give more wheat to the fisherman for his fish. Yes, he can; but he is not such a fool as to do it. The fisherman cannot live upon the water all the time. He must come to land. And he cannot land without the permission of the farmer. So far from giving him more wheat for his fish than before, he will give him just enough to keep him alive—in fact, treat him as the labourer has been treated. Whoever owns the land owns the people on it.

Again, the fisherman who owns the only boat represents the capitalist. The labourer would grow wheat for himself if the land were open to him. Since he cannot grow wheat, why can he not make a boat? Some kind of a boat, even a raft, will be within the compass of his skill, and enable him to get far enough on the water to catch fish. To make the boat, he requires wood, &c. Now, the man who owns the land owns the wood, since it is a part of the land. Land question again, Nunquam.

Something of the same kind would happen in a community consisting of one farmer and two fishermen. The two fishermen would want wheat, and would undersell each other. So fish would become cheap to the farmer, not because of the law of supply and demand, but because of competition. That is to say, because the disorganisation of industry.

Competition again? What is there wrong in this competition? Why do these two men go fishing in place of growing wheat for themselves? Because they prefer it. If they are discontented with the exchange they get, they can grow their own food. There must either be some inducement that makes them prefer fishing, or else there must be, as in your other instance, some compelling force, *i.e.*, that the farmer owns the

land and will not let them use it. If that be the case, abolish the privilege private ownership of the land confers, and which is the cause of the "disorganisation of industry."

Now, before we go on to consider the other cases of competition, let me remind you that you have pointed out in the previous instances that, where the farmer owns the land, the labourer, in place of growing food for himself, has to sell his labour to the farmer, who makes him work at growing food, but only gives him a small portion of that food—or the money value of a small portion of that food—as his wage, keeping the rest for himself. With access to land the labourer is independent; with private ownership of land introduced the labourer is absolutely helpless. You yourself prove that in each of the illustrations of yours I have quoted. Let me give you another illustration, taken from the speech by Mr. Wm. Lloyd Garrison, of Boston, U.S.A., son of Lloyd Garrison, the hero of the anti-slavery movement:—

Stroll with me to Dorchester Bay, and we shall see an illustration of free natural opportunity, but only when the tide is out. The flats, by great good fortune, have no speculative owner, no landlord to exact rent or drive off labourers. And in the mud you see the latter digging for clams as serene as if upon broad acres of their own, and secure by law in the full possession of all their labour produces. Not many rods away, on dry land, are idle fields, where potatoes, corn, or divers vegetables could be grown. Every pailfull of clams is the unquestioned property of the digger; but every basket of potatoes, if raised on the adjacent fields, would belong, not to the man whose work produced them, but to the owner of the opportunity, who exacts the major part of the profit, either in potatoes or rent, for the privilege of what? Of the worker applying his exertions to the soil not made by the landlord, but by the same beneficence that made the muddy flats. Open the dry land as the sea bottom is opened to labour, and the Commonwealth will not be asked to employ commissions to ascertain why two and two make four, or why men deprived of a place to work beg and starve.

I have dwelt upon this point, Nunquam, because, after having proved it yourself, you forget it. You go on to refer to the coal and salt industries. You say that competition is the

cause of low wages in these industries. You sneer at falling markets. You say:—

Take the case of the Cheshire salt trade. There was a falling market there. Salt went a-begging. The salt manufacturers made no profits; the men got low wages. Why? Because one firm kept undercutting another. And I suppose Mr. Burt would have said that it would be as easy to resist the force of gravity as to keep up the price of salt in a falling market.

But when the salt syndicate was formed the market rose. Why? Because all the salt was in the hands of the one firm, and there was no competition. So the price of salt went up, and remained up until private firms were formed outside the syndicate and competition began. Then, of course, the price came down.

Let me examine this.

When there was competition the public got the benefit of cheap salt; but, you say, the manufacturers got no profits and the workers got low wages.

When the syndicate was formed the price of salt went up. The Salt Union made huge profits, we know; but the men did not get the benefit of a rise in wages. As producers of salt they were no better off than before. As consumers they were worse off.

If they had been producing salt for themselves they would have benefited; but they were producing it for the Salt Union, and were paid, not according to the value of the product of their labour, but at a rate regulated by the number of men that were willing to work for the Salt Union compared to the number the Salt Union wanted.

To prove that competition was the cause of low wages, you must prove that when it was removed wages rose in proportion to the rise in the price of the article produced.

Here, also, you seem to assert that the Salt Syndicate was a benefit to the community. But salt is a very important article, and the rise in price would be a very great hardship to millions of the natives of India—would cause a loss of trade in many directions.



The same in regard to coal. Dear coal does not mean increased wages to the people of this country; but, on the contrary, that the poor have to put up with a very little, and the very poor with no coal at all. And more: If the price of coal at the pit mouth in this country were doubled, are you aware that in most cases 3d. out of every 6d. per ton of an increase would go to the land-owner? You say you "respect a 'fact' more than a Lord Mayor." Well, that is one for you.

Another illustration you use is the following:—

There are one hundred families in a small State. Ten are wood-cutters, ten hunters, ten shoemakers, ten tailors, ten fishermen, and so on. Suppose the wood-cutter works fifteen hours a day, and only receives half as much food and clothing in return as is received by the rest of the community, who work ten hours a day. That means that fuel is cheap to ninety families, but that all other things are dear to ten families. It means that ten families are suffering for the advantage of ninety families. It means that the public of that State sweat and swindle the wood-cutters.

The first question one naturally asks, when the case is so plainly stated, is, "Why do these men keep at wood-cutting?" Why don't they hunt, or grow food-stuffs, or make shoes, or fish?

*There must be some reason.* Men do not work fifteen hours a day in preference to ten, or take half the ordinary allowance of food and clothing from choice.

The illustration is clearly incomplete. However, here is a bad state of affairs. You would insist that the public, so to speak, paid trade union rate of wages to these wood-cutters. I would remove the cause which compels them to work long hours for a small wage. That gone, they could look after themselves. Give the individual fair play, and there will be no need for organising his labour.

The reason is clear in this case, though you do not give it. Owing to the land monopoly these wood-cutters are not allowed to produce food, &c., for themselves.

Now, Nunquam, I have taken your own examples of these evils of competition, and have proved that in each and every case it is the land monopoly, and the land monopoly alone, that was the cause of the evil; and that competition, with access to the land free, is a blessing, not a curse.

## CHAPTER V.

## WASTE.

"It (Socialism) fails to see that it would be impossible for capital to oppress labour were labour free to the natural material of production; that the wage system in itself springs from mutual convenience, being a form of co-operation in which one of the parties prefers a certain to a contingent result; and that what it calls the 'iron law of wages' is not the natural law of wages, but only the law of wages in the unnatural condition in which men are made helpless by being deprived of the materials for life and work. It fails to see that what it mistakes for the evils of restricted competition are due to a one-sided competition to which men are forced when deprived of land."—"The Condition of Labour" (*H. George*), p. 91.

— — — — —

We all agree that there is far too much waste, but you make use of a fact in which everyone will agree to draw some absolutely false conclusions. You commence the letter on Waste by saying:—

We saw just now that competition amongst the workers lowered wages, and that competition amongst the middlemen lowered both wages and profits. We also saw that both kinds of competition lowered the price of goods to the consumer or user.

I have shewn from the examples you yourself have given that it is *the land monopoly*, not competition, that has lowered wages and profits, and that, where there was no land monopoly, competition simply prevented some men, whether employers or employed, getting more than the proper reward for their labour.

Is it right that a capitalist should be able to demand such high prices that he is able to get enormous profits? Is it fair that the workers in any particular trade should get far above the ordinary wages for ordinary work?

Certainly not. To use your own expression, "In justice, the day's work of the farmer should be sold for the day's work of the smith."

This justice is secured by competition. Big profits attract people into a trade, high wages other workmen, until the profit or wage is reduced to the ordinary level. Natural competition is a great blessing; you only consider the effects of artificial, unnatural competition. The discovery of the expansive power of steam was a wondrous blessing to mankind; but if you put a heavy weight on the safety valve and then keep the fire up, don't blame steam if there is a burst up. Competition needs the safety valve of free land. Monopolise your land and competition becomes a curse. The remedy, however, is plain: Abolish the monopoly, and competition becomes a healthy, wholesome, beneficial thing.

If you had only done that which you advised me to do, that is, read "Progress and Poverty," you would have seen these things, and certainly had you once grasped the truth George shews forth, your chapter on "Waste" would never have been written, for it is full of fallacies.

You take the case of matches, and say:—

I asked myself, firstly, "Why do people waste matches?" The answer was ready—"Because matches are so cheap." I asked myself, secondly, "Why are match-makers so badly paid?" The answer was longer coming, but it came at last, in the same words, "Because matches are so cheap."

That people waste matches because they are cheap is true; but it is not true that match-makers are badly paid because matches are cheap.

*The workers are poorly paid because labour is denied the right of access to the object—land—from which they could produce all that is necessary for the gratification of their wants.*

Put a tariff on foreign matches so that the price of matches is doubled, will the match-makers get double wages? No. Their wages would not be increased, but reduced, for raising the price of matches would tend to stop waste. Fewer matches

would be made, and there would be a greater number of match-makers underselling each other to get employment. The profit would go to the capitalists.

The price of sugar in the United States has been increased by a duty of 40 per cent. The wages of the sugar workers have not been increased, but the sugar refiners are making enormous fortunes.

No, Nunquam. The wages the workers receive do not depend upon the price at which the articles they produce are sold.

Making matches is a disagreeable occupation. People do not take to it from choice, but necessity. They are glad that matches are wasted because it gives them employment—poorly paid though it is.

You use the same argument in regard to salt. You say:—

Half the domestic salt is wasted. Double the price, and *save half the salt*. Then only half as much would be bought.

Therefore only half as much would be made. *Therefore the salt-makers, who now work twelve hours a day, need only work six hours a day.*

How does that strike you, John? Or you might let them work twelve hours a day, and double their wages. In which case half of them can be sent to do other work. Or you can reduce the hours to eight, and pay them 50 per cent. more wages, in which case a quarter of the men can find other work. The advantages of this plan would be that—

1. No salt is wasted; therefore the supply of salt will last twice as long.

2. The consumer still gets all the salt he can use at the price he paid for salt before.

3. The manufacturer gets the same price for one ton that he used to get for two tons. Therefore he saves enough in carriage, in wear and tear of machinery, in interest on capital, in rent and other ways to leave him a handsome profit.

4. The worker has only half as much work to do; therefore he secures a six-hours day, and his wages remain as they were.

How does *that* solve the problem? That, John, is my theory of waste. I call it a practical, hard-headed way of looking at things. What do *you* think?

What do I think of it? Not much, and I'll tell you why.

"Writing," the philosopher said, "maketh an exact man." I am afraid, Nunquam, that you must be "the exception that

proves the rule." I dislike raising quibbles, but before sneering at "the average newspaper editor, who gets his salary by wasting ink and paper, and perpetuating follies and lies . . . unless some sensible person comes to help him," you ought to bestow a little attention upon your own style, which, for a work professing to be educational, is frequently of the most slipshod character.

Here, for instance, you make the assertion, which you would find it difficult to prove, that half the domestic salt is wasted, and argue that, if the price of salt were doubled, only half as much would be bought, and the hours of the men could be reduced by half.

All the salt in the country is not used for domestic purposes. Salt is largely used in manufactures, and doubling the price would not save half the salt, but, at the most, half the domestic salt.

Nor would this be an unmixed good, for salt is very useful for sanitary purposes, and the effect of reducing the supply by one-half to each family would probably be beneficial chiefly to doctors and undertakers. From the very nature of salt it is liable to get spoilt.

There is one point here you have overlooked. Every housewife does not waste salt. But, by doubling the price, you punish the thrifty for the sins of the thriftless. This is not fair.

Now for your plan. You admit that by it—

- (a) The consumer only gets half the salt for the money that he got before;
- (b) The capitalist gets a bigger profit than before.

I must confess that so far I do not perceive where the boasted benefit comes in.

"Oh," you say, "the salt makers, who now work twelve hours a day, *need only work six hours a day.*"

Not too fast, Nunquam. Double or treble the price, and yet these men would still have to work twelve hours a day. The wages they receive, and all the conditions under which they work, are determined, not by the price of the product, but by the number of men seeking employment as salt workers, as compared with the number the salt manufacturers require. You shew that yourself (on page 82), when you deal with the men underbidding each other for employment.

No. The only people who would benefit by your plan are—

The landowner, who would get more rent, because the manufacturer could afford to pay more, and the land monopoly enables the landowner to compel him to pay it.

The manufacturer would for a time get double the price for salt, but when his lease expired the landowner would absorb this in increased rent.

If there be no lease, the landowner could absorb the increase at once, consequently the manufacturer who has a lease benefits as being in the place of the landowner, not as the manufacturer.

*No we perceive the only person who would benefit by your scheme would be the landowner.*

In the meantime, how about the workers in the industry? If only half the quantity of salt is required, only half the number of men will be needed. So half the men will be sent adrift to join the unemployed. These unemployed men will tend to lengthen the hours of work and lessen the wages of the men still employed. So that the total result of your vaunted plan will be to injure the community and enrich the landowners.

No, Nunquam: you must go to the root of the matter.

But perhaps you will say you are dealing with a condition of affairs under Socialism, and that the men would therefore be able to find other work.

Now, Nunquam, here are the two horns of the dilemma, you can impale yourself on whichever you choose.

If you are dealing with the present state of affairs, then, if only half the salt-makers are required, the other half will be sent about their business, and have to join the unemployed probably. Those left at work will not get any increase of wage or reduction of hours. On the contrary, the men thrown out of work will, as you have pointed out, underbid the others, so that your plan will result in injury to workers and the consumers.

On the other hand, if you are dealing with a Socialist *regime*, how is it that the capitalist can make a bigger profit than before?

The fact is, your vaunted "way" is a hastily-considered, foolish, self-contradictory plan, and your illustration slovenly and illogical.

Let me tell you a little story, which will serve as a text for the sermon I am going to give on "THE CURE FOR POVERTY."

Once upon a time there was a man who owned a piece of land in the centre of a large town. This land was not built upon nor put to any use, for, said the man to himself, "The town is growing bigger every day, and the land is getting worth more and more each day, and, though I can't use it myself, I won't sell it to anyone else yet—I'll wait a bit."

But people wanted to put the land to use, and kept asking him to sell it or lease it, and the man began to be bothered with their asking him.

One day, when sitting in his country house, he saw a crow flying along, and, enjoying the freedom from care the bird seemed to possess, he said, "How I wish I were a crow!"

To his surprise he found himself taken at his word, and that he really had been changed into a crow. He was, of course, very much puzzled, but could not change matters, and so he thought he would just make the best of it.

Finding the sun was very warm, and seeing a wood a little way off, he flew towards it to shelter on the branch of a tree. But when he got near the tree another crow flew out and told



him to go away ; he must not come there, for that tree belonged to him.

"How's that?" said our friend. "The tree was not made for you only. How can you say it belongs to you?" The other crow laughed. "Ask me something harder than that," he said. "Why, I bought it, of course."

"But how could anyone have the right to sell you for your own use a tree that was created for the use of everyone?"

"Oh," said the second crow, "you don't understand. The crow I bought it from belonged to a very old family. His ancestors came over with Jim Crow, and the tree had been in possession of the family ever since that time."

Tree after tree was tried by our friend, but all in vain. Each tree was the private property of someone or other, and, though there were enough to give shelter to almost all the crows in creation, he could not get as much as a branch to rest on.

Tired out with hunting for lodgings, he began to feel hungry. Close at hand there was a field in which men had been reaping, and so he flew down to pick up a few grains of corn ; but here again he was stopped. A few crows *owned* the field, and, though food was lying around in plenty, these other crows would not let him pick up a grain of wheat, or even a worm, to keep himself from starving.

Away he flew wearily over field after field, seeing food all around him, but yet not allowed to help himself.

At last he came to a tree where a lot of miserable-looking crows were, and he asked them what they were doing there. They told him they were "out on strike." When he said he did not know what they meant, they said that they had been working for some crows, but the wages they got were so small that they could hardly live, and so they were on strike for a rise. "Will you get it?" he said. "Well, they didn't know, for they had only a little food left—just enough to last them a few days—and then they would have to give in or starve."

"But," said he, "there's enough and more than enough for all of you in these fields here—why don't you gather it?" "Oh, that land," said they, "does not belong to us; it belongs to So-and-so." "Did he make it?" said our friend. "Or did the crows he got it from make it?" "No," said the others, "of course not." "Then what *right* has *he* to it?" But here a lot of other crows, with some of their feathers painted blue or else red, came flying down, and if our friend had not flown off he would have been put in prison, or perhaps been killed as "an agitator," "a communistic crow," &c.

After a bit, when he was nearly fainting with hunger and fatigue, he came to some more crows, and asked them what he was to do in order to get food. "Why," they said, "you must find some crow who will give you work to do and pay you wages for it."

After a lot of trouble he got work, and his work was gathering worms for another crow from early morning till late at night, and his wages were three small worms a day, and a bit of a tree to rest in.

How many thousands are there in this country of ours who toil all day long making wealth for other people, and who get as their share three poor meals a day and a miserable room to shelter them, and all because they are denied access to the natural object—land—from which, by labour, all wealth is produced.

Supposing you have a community of intelligent beings placed upon a country fertile and abounding in mineral wealth, as this country of ours is.

Division of labour will soon set in. Some will devote themselves to producing food, others to building houses, making clothes, tools, and the various things necessary for the gratification of desires.

Now, as Henry George says ("Progress and Poverty," page 8), "*Men seek to gratify their desires with the least exertion.*"

Thus, allowing for the differing degrees of intelligence and training required for some occupations, or the disagreeable or dangerous character of others, the reward of labour will be equal in all occupations.

For, if the workers in any particular trade get more than the average reward for average work, or get the average reward for less than the average amount of work, other workers will flock in from other trades to this favoured one until the wages, hours of labour, and conditions of work generally are brought to the ordinary level.

In such a society, though all may have to work hard, there will be no poverty side by side with wealth. Those who receive better wages than others will do so because they are performing more work for the community than others. They give as great, if not greater, benefit than they receive.

Nor will there be any need to organise and direct this community. To quote "Progress and Poverty" again, page 53 :—

*"The demand for consumption determines the direction in which labour will be expended in production."*

As science progresses and machines are invented, fewer workers are required to produce a given amount of various articles.

Now, the fundamental relation we have ever to keep in mind is that existing between the producers of food and the producers of secondaries, *i.e.*, comforts and luxuries.

If the producers of food do not get as good a living by that occupation as the producers of other things do, a sufficient number will abandon food production and betake themselves to other occupations. The number of food producers, and consequently the quantity of food produced, being thus lessened, the price of food will rise until an equality is established between the earnings of the food producers and the producers of other things.

In a similar way, if the producers of secondaries do not get as good a living as the food producers, a sufficient number will betake themselves to food production so as to equalise wages.

In fact, so long as access to the land is open to the people, wealth will be fairly divided, and machinery and science will simply add to the amount of wealth that is to be divided.

For if, by the aid of a machine, ten men can—after allowing for the men employed in making and repairing the machine—produce as much of any article as a hundred men could by hand, the benefit of that machine may go to the community in any or all of the following ways:—

- (a) In getting practically ten times the quantity of the article they formerly could for the same amount of work;\*
- (b) In getting—owing to the ninety men betaking themselves to other occupations—additional other comforts and luxuries;
- (c) A reduction of the hours of labour.

All trade is the exchange of goods for other goods.

When I get my wages at the week-end it seems as though I had been working for so much money; but when I spend those wages it is easy to perceive that in reality I have been producing goods, and exchanging some of these goods with the farmer who has been growing wheat, the miller who has been grinding that wheat into flour, the butcher, the boot-maker, joiner, tailor, and various other producers.

Now, in the first place, suppose the manufacturer, in place of reducing the price of the goods his machine turns out, sends away the ninety men and only keeps the ten to work the machine. What will be the result?

Though he may grow wealthy, very wealthy, yet the community—so long as access to the land is open—will be benefited by the invention of the machine.

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\* I am, of course, taking it for granted that *Socialist Patent Laws* have not been enacted in this community.

You will admit that the people will not pay more for the machine-made article than for the same quality made by hand. Say the article in question is cloth. The people will get the same quantity of cloth as before for a certain amount of labour.

You will doubtless say, Nunquam, that "90 per cent. of the men engaged in producing cloth are deprived of their employment."

Of *that* employment, true, but they need not be idle. They can go and produce other wealth. For what is wealth? The product of labour applied to land. Here you have the labour and the land, so there is nothing to hinder wealth being produced. It is only when land is monopolised by private owners, and labour is thus denied access to it, that you have involuntary idleness. This is where the failure of "your way" in regard to the salt comes in. You had not abolished the Land Monopoly.

It does not follow that these same men would turn farmers or build houses; but, as you will admit, the different occupations are not absolutely distinct from one another, but touch each other at some point, and there would always be enough of men able and willing to betake themselves to the direct production of wealth from the land to give employment to others engaged in secondary occupations.

Now to return to our manufacturer. He is growing wealthy. But others make similar machines, and your old enemy, Competition, comes into play. The other manufacturers undersell him in order to get customers. He, in turn, is forced to lower his prices below theirs; and so it goes on until the public get the whole benefit of the invention, the profit in his trade being reduced to the ordinary level, and thus, to use your expression, "the day's work of the farmer is equal to the day's work of the smith."

Competition here is an unmixed good. The capitalist did not pay the workers high wages because he was making big profits. In order to get them to work for him he had to pay

them more than they could get by working for themselves. When, owing to competition, prices fell, he could not lower wages if he tried to do so—the workers would have left him; with access to natural opportunities, they are independent. On the contrary, the employers would compete for the skilled hands, so that, while prices and profits fell, wages would rise.

What, then, does this amount to? Simply this, that the people do not need to devote so large a portion of their day's work in order to get all the cloth they want.

Apply the same to the other occupations in which machinery is used, and the result is simply that people get the objects, to obtain which is the cause of their working, in return for a very small amount of labour on their part. Nor will this end until desire is satisfied, until everyone has enough. But such a condition of affairs means that the labour problem is solved.

Thus, if it were not for the land monopoly, a very small amount of work a day would keep each of us in not merely comfort, but luxury.

The Taxation of Land Values—which is one of the planks of the Liberal Programme—will break down this monopoly, and give us all the benefits of education, science, and invention.

## CHAPTER VI.

## CHEAPNESS.

“Correct thought must precede correct action.”—*Dove*.

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I suppose I must deal with your chapter on “Cheapness,” though it is only a repetition of the fallacies contained in the previous one on “Waste,” namely, that by doubling the price of an article you double the wages of the producers of it.

You say, page 97 :—

All commodities are produced by labour, therefore to drive commodities down to their cheapest rate *must* result in cheap labour. And you know that as soon as ever prices begin to fall the capitalist begins to talk about lowering wages. And you know that bread and coal and clothing and salt and matches and very many other things are simply cheap because the people who produce them are not half paid.

The assertion that “all commodities are produced by labour” is an incomplete statement : it ought to be “*by labour exercised upon land.*”

Do you not think that the improvement of machinery may have some little to do with the cheapness of articles? By the aid of machinery one man in a cotton factory can produce enough cotton goods for 250 persons ; in a woollen factory, cloth for 300 ; in a shoe factory, shoes for 1,000 ; and in the iron industry, iron for 500 other persons.

Surely this has something to do with the fall in prices. There ought to be ample margin here for good profits to the capitalist and yet good wages to the worker, combined with low prices to the purchasers.

And even though you were right, yet can you not ask yourself the question, “How does this come about?”

In regard to cheap matches you said that you asked yourself the question, "Why are the match-makers poorly paid?" And the answer was "Because matches are cheap." But did you, who claim to be a thoughtful man, rest contented with that? 'Why do the workers take such poor wages?' ought to have been the next enquiry you ought to have made of yourself. You must perceive that there is compulsion somewhere.

Had you followed out your enquiry to its logical conclusion, in place of stopping half-way, you must have arrived at the conclusion that, since all wealth is the product of labour applied to land, poverty must be caused by labour being denied access to land.

Thirst is quenched by drinking water. If you have people and water, and yet the people suffer from thirst because the water belongs to a few private owners, is there any need of elaborate arguments to prove that the thirst is caused by the want of organisation amongst the people? No! Let the people have access to the water.

Suppose the landowners sold the water, and the people in their necessity bade against each other for it. Each offered more goods than his neighbour, or, what is the same, to work longer hours and only retain a pittance out of his earnings, giving the rest to the owner of the water for enough to slake his thirst.

The evil here is as plain as a pikestaff—monopoly of water. But you would say it is the competition of the one sufferer against another. Can you not perceive that your roundabout methods are simply delaying the solution of the problem and the cure of the evil?

You state, on page 93, the case of a farmer and a weaver, each of whom produces goods to the value of 40s. But the landowner and capitalist between them take all away except 0s. worth.

Why do they leave the producers 20s. worth of the produce? Because they must leave them enough to live upon.



But why do the producers allow the landowner and capitalist to take so much?

Because they cannot help it.

Then, if they cannot help it when the goods are sold at 40s., how can they help it when the goods are sold at 60s., or 50 per cent. more?

You say that, while "the price of the goods has been raised, the rent and interest have not been raised." But you have not prevented them being raised; rent is the very thing that will be raised.

It is no use your going on making assertions that are utterly opposed to facts. So long as you leave the land monopoly as it is, you cannot prevent rent being raised so as to absorb the whole benefit of raising the price.

You say rent will not be raised, but that will not have much influence with the landowners. Before we raise the price we want some proof, not your mere assertion, that rent will not be raised.

These arguments of yours have the slight disadvantage of being neither new nor true. They are old fallacies that were proved to be fallacies in the days of the Corn Laws. Then men were told by the landowners that, if they would only prevent wheat falling below a good stiff price per bushel, the labourers would get good wages. Did they?

In Lardner's *Annual Retrospect* for 1831 it is stated, in reference to the Parliamentary proceedings, that the most interesting topic touched upon in the King's speech was that contained in the last paragraph, which, after informing Parliament that "the export of British produce and manufactures in the last year had exceeded that of any former year," lamented "that, notwithstanding this indication of active commerce, distress should prevail among the agricultural and manufacturing classes in *some* parts of the United Kingdom."

This last sentence furnished the chief matter for discussion in the debate. It was contended that the distress was not

confined merely to some parts of the country, but was felt in all parts, and extended to every branch of industry. The country gentlemen brought reports of the sufferings among their tenantry and labourers, that rents could not be paid, and poor's rates had absorbed the profits of the farmers. The representatives of the commercial part of the community drew a picture equally gloomy of the state of trade, navigation, and manufactures, complaining that business had sensibly declined, that capital could not find employment, that profits had consequently fallen, and that bankruptcies had increased.

Unable to name any part of England where great distress was not felt, the Chancellor of the Exchequer stated that Ireland was an exception to the general prevalence of suffering, but was contradicted by O'Connell, who said "that, in the city of Dublin alone, there were no less than *seven thousand persons subsisting on three half-pence a day*, the fruits of a miserable charitable subscription."

Some idea of the terrible nature of these sufferings may be obtained from the petitions sent to Parliament. One from Bedfordshire states that the labourers are "receiving wages which gives them barely the means of protracting a cheerless existence, deprived of all the comforts and almost all the necessities of life."

In Berkshire, "the weekly payment to able-bodied men who could not find employment is stated as being in some places *as low as two shillings and sixpence*." In one of the petitions from Buckingham we are told "that many persons commit depredations and misdemeanours to get into prison, thus to preserve themselves from lingering starvation; that many have contracted disorders by eating the flesh of animals that die naturally and other unwholesome food."

One from Frome, in Somersetshire, was presented by the Bishop of Bath and Wells, who said in support of it, "I have been a witness to the most afflicting distress, and which I could not if I would describe. I have seen with my own eyes

*multitudes who could obtain no work, and were starving ; others, yoked together like oxen, drawing coal from the pits in the neighbourhood."*

On page 96, you yourself admit the very thing I have been trying to drive into you, for you state that a monopoly such as " the Oil Trust or the Salt Syndicate, while raising prices, will not raise wages."

You then go on to advocate a State monopoly that " will ensure to the worker the enjoyment of all the wealth he produces."

But, Nunquam, if you are going to give the workers the enjoyment of all the wealth they produce, why need you bother about the price? Doubling the value of the counters that represent wealth will not double the wealth.

But wait a minute. Yes, I perceive it now.

In your Socialist " Utopia " the workers are to enjoy all the wealth they produce, and every man is to work.

But you are going to buy out the landowners, railway shareholders, &c. If you buy them out you must give them some form of wealth in exchange, and, since wealth can only be produced by the application of labour to land, this payment must come out of the earnings of the worker to whom you have already promised " the full enjoyment of all the wealth he produces."

Again, since giving a receipt for dividends or rent is not very oppressive toil, as you yourself have pointed out, a portion of your working community will, thanks to your compensation, be idlers.

Therefore, in order to deal justice to these conflicting interests, you have resolved to cheat them all.

The landowner is to receive a certain amount as compensation for refraining from continuing to injure the community ; but, while you outwardly profess to give him this amount, by raising the price of everything he purchases 100 per cent., you

in reality only give him half the amount you led him to understand you were going to pay him ; while, by doubling the prices all round, you trust to be able to conceal from the worker the fact that he is not, after all, receiving " the enjoyment of *all* the wealth he produces."

Very clever, Nunquam ; in fact, too clever.

## CHAPTER VII.

## NATURAL RIGHTS.

And as I thought of Liberty,  
 Marched handcuffed down that sworded street,  
 The solid earth beneath my feet  
 Reeled fluid as the sea.

\* \* \*

And Law, an unloosed maniac strong,  
 Blood-drunken through the blackness trod,  
 Hoarse-shouting in the ear of God  
 The blasphemy of wrong.

\* \* \*

"Mother of Freedom, wise and brave,  
 Rise awful in thy strength," I said.  
 Ah, me! I spoke but to the dead—  
 I stood upon her grave.—*Whittier.*

— — — —

Your views upon the questions of the liberty of the individual and the Rights of Man are so confused that I hardly know where to begin in my reply to those portions of your argument!

If it had not been for interference with the liberty of the individual and the freedom of contract in the past, the lot of the workers would have been unbearable."

The above statement is taken from page 169. It shews that you have no idea as to what the rights of the individual are.

I have shewn over and over again that poverty has been caused by the workers being prevented having access to the land from which, by their labour, they could have provided themselves with all they require.

Are the workers individuals or are they not? If they are, then the power exercised by the landowners of keeping the people from access to the land has been an interference with the liberty of the individual.

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As this is the first wrong, the primary monopoly by the few of that which was intended for all—the monopoly upon which all the other monopolies have been built up—it follows that, so far from interference with the liberty of the individual having been the salvation of the worker in the past, it has been his curse.

If you had taken the trouble to think out what Individualism must mean, you would not have been led into the absurdities you have committed throughout your book. You evidently think that the nation is made up of a few thousand individuals (capitalists and landowners), and that the millions of workers are something else.

Who are the workers, I again ask? Are they not individuals as much as the landowners or capitalists?

Consequently, if a few thousand men appropriate the products of the labour of the millions, how can you say that such a condition of society is individualism? Call it capitalism or landlordism, or anything you like, but do not say it is individualism, and then denounce individualism as bad.

Let me again repeat what I have said several times before, that it is impossible to have pure Individualism or pure Socialism. Man is an individual, but he is also a member of the community.

"Individualism" requires that we do not forget that man is an individual before he is a member of society. The latter is, so to speak, accidental; the former necessary.

As an individual he has rights that no community ought to have the power to over-ride.

The first is, of course, the "Right to Life."

You say, however,—

The very root principle of all Socialism and of all Democracy is the principle that there is no such thing as personal independence in human affairs. Man is a unit of society, and owes not only all that he possesses, but all that he *is* to other men. Yes. Just as no man can have a right to the land,

because no man makes the land, so no man has a right to his self, because he did not make that self.

I am afraid, Nunquam, that you are rather confused as to what right means.

"No man has a right to himself." "No man has a right to land."

Yet on page 58 you say:—"A man has a right to that which he has produced by the unaided exercise of his own faculties."

On page 65:—"I have already laid it down as my guiding principle that a man has a right to all the wealth that he creates by the exercise of his own unaided faculties."

Page 61:—"Man has a right only to what his labour makes."

Page 199:—"The rights of the worker are the whole of the produce of his labour."

But, Nunquam, if I have no right to myself, how can I have a right to my labour? And if I have no right to land, how can I have a right to the product of my labour (to which I have no right) applied to land (to which also I have no right)?

How many no-rights are, in your opinion, sufficient to make a right?

How many times nothing make something?

The fact is that you say a man has no right to himself and no right to the land, but your own common sense every now and again makes you admit that he has.

And look at your argument. If no man has a right to land, no number of men can have a right. Therefore, the community can have no such right as you claim for it.

But you are wrong in the reasons you give. You say, "Just as no man can have a right to the land, because no man makes the land," &c.

It is true that no man made the land, but it is also true that clearly the land was made for the use of men.

Now, the land was either given for the exclusive use of a few men, or the gift was general for all men.

You will be the first to assert that the land was not given to the few.

Then it was given to all, and *each* has an *equal* right to it.

That is where the stumbling block comes in. It is not that no man has a right to the land, but that each has an equal right to it.

Denying the right to land is equal to denying the right of life. No community can claim to have a greater claim than the sum total of the rights of the individual members composing it.

So now we can paraphrase your former assertion, and say:—

"Just as every man has a right to the land, though he did not make that land, so every man has a right to himself, though he did not make that self."

You have fallen into a similar mistake to that into which Herbert Spencer fell, and if you had that acquaintance with Henry George's works you profess to have you would have seen that he had already dealt with it.

Whatever be the influences of heredity and environment upon an individual, they cannot deprive him of his natural rights. If he be born amongst savages, no doubt the knowledge of those rights will be small, but they exist all the same. But we are dealing with the people of Britain, and I maintain that your doctrine is opposed to justice.

The idea that a man belongs, not to himself, but to the community, is only a new phase of old heresies. That was the doctrine preached to justify burning men alive because they did not agree with the religious opinion of the majority. It was that doctrine that was the cause of the majority oppressing and even murdering the minority in past times.

It is the denial of a man's right to himself that has been the curse of the workers in the past and present. Tyranny is no



less tyranny because the tyrants are many in place of few. I am perfectly well aware that you have very pure and high-minded ideas as to how you would govern; but the leaders in the French Revolution had equally high ideas. They were thoroughly sincere when they began, but they have descended to history as monsters.

The danger to-day is as great as it was then, and if you once adopt the fatal idea that a man belongs to the community, and not to himself, some future Madame Roland may have cause to exclaim, "Oh, Liberty, what crimes are perpetrated in thy name!"

If you deal with the man as an individual, and secure him his natural rights, then you may rest assured that the community made up of those men must be one in which right and justice reign. But when you begin with the man merely as a member of the community, then you must remember that the community can only express its decisions by majorities.

Suppose that I consider a certain line of action right and that any other course is wrong, yet agree with you that I do not belong to myself but to the community, what majority am I to consider sufficient to make me abandon that which I deem right in order to obey the ideas of the community? Would you consider a bare majority of one sufficient? If not, how many of a majority? Where are you to draw the line?

The fact is that the moment you abandon the right of the individual and lay hold of the community, you have abandoned your only safe standing place. You are asking us to once again bend our necks to slavery of the worst type. You talk of Thoreau. Why, under your system Thoreau could not have gone off to the woods to lead the simple life you praise. No! He belongs, not to himself, but to the community, and the community wants him to come and do work, perhaps cooking food—which he thinks people are fools for eating; or making fine clothes—which he thinks people waste time in making and are fools in wearing. Why, Thoreau was the greatest

individualist you could have referred to, barring Diogenes, perhaps. He would have scouted your pretence, on behalf of the community, that he belonged to it and not to himself.

Mark what he says. Referring to the pleasure he derived and independence he experienced in building his own house, he says:—

What does architecture amount to in the experience of the mass of men? I never in all my walks came across a man engaged in so simple and natural an occupation as building his house. We belong to the community. It is not the tailor alone who is the ninth part of a man; it is as much the preacher and the merchant and the farmer.

No. The man who considers that he who belongs to the community is only a ninth part of a man can hardly be referred to as a Socialist. "Looking Backward," or even "Merrie England," would not appeal to Thoreau, though perchance "News from Nowhere" might somewhat.

No; Thoreau was no admirer of Socialism. Did you ever read his essay on "The Village"? In the course of it he gives an account of a little incident that happened:—

One afternoon, near the end of the first summer, when I went to the village to get a shoe from the cobbler's, I was seized and put in jail, because, as I have elsewhere related, I did not pay a tax to, or recognise the authority of, the State which buys and sells men, women, and children like cattle at the door of its senate house. I had gone down the woods for other purposes. But wherever a man goes men will pursue, and paw him with their dirty institutions, and, if they can, constrain him to belong to their desperate Oddfellow society. . . . I was never molested by any person but those who represented the State.

As a proof that a man ought to belong to the community and not to himself, you instance the inventor, and say he could not have invented his machine if someone else had not thought out things before him. You take the case of a loom, and point out that your inventor did not invent steam, yet without steam the loom would really be useless.

That is so; but what about it? Is steam a monopoly, the sole right to use which rests in your inventor of the loom? If

it is, as it is, open to everyone, then your inventor has done something *beyond* the rest of the people. All had the chance to invent the loom, and to all was the use of steam open. This man does that which the others have not done, and is rewarded.

I object to our Socialist patent laws as much as you do. Another man and I are trying to discover a certain improvement. He, probably by accident, hits upon it first. Good and well; let him use his machine to his best advantage. But, as an individual, I object to the community saying, practically, that I would not have discovered it for fourteen years.

If a man invent a machine that is of real benefit to the community, let the community give him a proper reward; but it must not take the form of preventing anyone else from making a similar machine. You really do not know what Individualism is, and lay the blame of Socialist and Class Legislation—I need not have made the difference, for they are both the same—on Individualism.

Under a proper system of Individualism no man could get any benefit from a machine or other invention by depriving anyone else of that which belonged to him.

The same with your own case. You have probably secured money by digesting the literary works of men who have lived before you; but have you done the community any harm by reading Shakespeare or Rabelais? If you have been able to present these ideas in a new and improved form, made them more useful or pleasant to the people, future generations will be able to derive benefit from your writings also, and in the meantime you have given full value for all you have received.

You urge that we have not got individual liberty at present. On page 148 you give vent to your indignation against present conditions:—

Talk about slavery! Freedom of contract! Under your much-glorified freedom of contract, how many contracts are freely made? Under your vaunted liberty of the Individual, how many individuals have any liberty at all? At this present

day in this fine country the bulk of the people are slaves. They are slaves, *not* to a wise, beneficent, and popular Government, but to a ring of greedy, grasping fools, a coterie of rich barbarians, who would boil down the last nightingale if they thought his bones would serve to dye yarn, who would choke up the last well if they had no place handy in which to shoot their alkali dust, and would cover the last rood of sward with ashes if they thought there was no hope of grinding the said ashes with sewer slime to make mortar for the people's houses.

I am not contending that we have freedom of contract under present conditions, but I have proved, from your own examples in the chapter on "Competition," that it is owing to the fact that we are cut off from access to natural opportunities that we are helpless. Open up that access, and the people of this country will no longer be slaves either "to a ring of greedy, grasping fools," or even to "a wise, beneficent, and popular Government." We do not want slavery of any kind. We want freedom.

If the worker have access to the land, how can the capitalist grind him down. If there is to be any "exploiting," as you Socialists term it, the danger is that the capitalist will be exploited by the worker, not the worker by the capitalist.

The capitalist farmer gets on an average some 26 bushels of wheat to the acre. This is by the aid of his capital *and underpaid labour*. The down-trodden labourer, with his spade, can raise an average of 40 bushels to the acre. With the taxation of land values in force, who will be able to pay most for the land, the man who raises 26 bushels or the man who raises 40 bushels to the acre? But if a labourer can raise 40 bushels for himself on an acre, he won't work for a farmer for a portion of 26 bushels. The farmer must give him wages on the 40-bushel basis, and, in addition, something more, to make the labourer work for him in place of for himself.

What will be the result here? The farmer, by means of his capital, may be able to make a profit, but he will not be able to make a profit out of the labourer. The labourer's wage will have to be at least equal to what he would earn for himself.

The late Professor Thorold Rogers pointed out that when the labourer had access to the land in this country, in the fifteenth century, he received an income equal to what an income of £145 would be at the present day. And the day was an eight-hours day. The science of agriculture was in a very backward state then to what it is now, so that if we were taking the reward he would get at the present time it ought to be far more.

The same would apply to every branch of industry, for in every one capital is helpless without the assistance of labour, and it is only through the land monopoly forcing the labourer to sell his labour at a rate determined by the supply and demand of labour, in place of at a rate depending upon what the labourer could earn if working for himself, that the capitalist can make a profit out of the workers in addition to profit out of his capital. Destroy this monopoly and his power to injure would be gone, and capital would take its proper place as the assistant of labour.

## CHAPTER VIII.

## RENT AND INTEREST.

The term labour includes all human exertion in the production of wealth, and wages, being that part of the produce which goes to labour, includes all reward for such exertion. There is, therefore, in the politico-economic sense of the term wages, no distinction as to the kind of labour, or as to whether its reward is received through an employer or not, but wages means the return received for the exertion of labour, as distinguished from the return received for the use of capital, and the return received by the land-holder for the use of the land. The man who cultivates the soil for himself receives his wages in its produce, just as, if he uses his own capital and owns his own land, he may also receive interest and rent. The hunter's wages are the game he kills; the fisherman's wages are the fish he takes. The gold washed out by the self-employed gold-digger is as much his wages as the money paid to the hired coal miner by the purchaser of his labour, and, as Adam Smith shews, the high profits of retail storekeepers are in large part wages, being the recompense of their labour and not of their capital. In short, whatever is received as the result or reward of exertion is "wages."—"Progress and Poverty," page 21.

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In your chapter on "Rent and Interest," no man has a right to be rich at all. Really, Nunquam, you are fond of depriving us of "rights," though after your declaration that no man has a right to himself, nor any right to land, one might expect any manifestation of your craze for taking away the things we most valued.

But let me examine your argument. You say, "I have already laid it down as my guiding principle that a man has a right to all the wealth that he creates by the exercise of his own unaided faculties, and to no more."

This sentence has a meaning or it has not. If it has no meaning, but is merely "writ sarkastik," then say so plainly. Don't try to be funny and throw dust in my eyes.

You probably think that the "by the exercise of his own unaided faculties" prevents a man from producing very much. But it does not. There are two men on an island. They want to build a couple of houses, and for that purpose require some large beams of timber. Now each by the aid of his own faculties can cut down the wood, or, perhaps, since you are sometimes in the extra critical frame of mind, I ought to say can get the tree separated from the ground. Here you will admit they have a right to this wood. But if they work together, and each takes an end of the beam so as to carry it to its place, would you say that, since they had to assist each other, therefore neither had a right to the wood now, since he had not obtained it by his own unaided exertion? Surely not. Or else you must be devoid of common sense.

Well, let us go a step further. Increase the community from two to two hundred men. Some of the men are fishing, some hunting, some cultivating the soil, some building houses, some making clothes. Now it is just the same, dividing up the labour this way, as if each man devoted a small portion of his time to getting food, another portion to making clothes, building a house, making tools, &c. By exchanging the product of his labour, the man who is making clothes is catching fish quite as much as the man who is on the water engaged in the actual operation of catching fish, which he will exchange for clothes when he gets back to the settlement. Each of these men is producing wealth by the exercise of his own unaided faculties to all intents and purposes.

In the same way, if I am engaged in a factory producing cloth, I am to all intents and purposes raising food stuffs, catching fish, cultivating the tea or coffee plant, making boots and shoes, or, in other words, producing the things I exchange the product of my labour for.

And I claim, and even you admit, that I have a right to the proceeds of my labour. But what does this mean? It means that I can use them or save them up till they accumulate, or give or bequeath them. Say that I save up all my life, and when I die I leave the proceeds of my savings to my son, aged thirty, who on his part has also been saving for some years. That son will have had his wealth increased by my savings. Yet you cannot object, if you once admit that I have a right to the results of my labour. I surely can leave what I have not used to my own child.

To interfere with this would be injustice. You or anyone else who did so would be robbing me or my son.

Now let us examine the arguments whereby you seek to prove that no man can grow rich justly. You say:—

How do men grow rich? In these days the three chief sources of wealth are—(1) Rent; (2) Interest; (3) Profits.

Now, Nunquam, do define your terms. Examine these questions in political economy by the rules of political economy. To be rich is to be in possession of wealth. Wealth is the product of the three factors—Land, Labour, and Capital. It is so in these days, and has always been so. Wealth is divided therefore into—First, Rent, the portion that goes to the landholder for the use of land; second, Wages, or the portion that goes to labour; third, Interest, or the portion that goes to the capitalist for the use of his capital. What you term profits are made up of one, two, or all of these factors. It is a very vague term.

You point out that the landowner has no right to his wealth. Why is this? Because he derives his wealth by depriving others of the product of their labour. The land must be used before labour can produce wealth, and was created for the use of all. No man can justly claim the land as his private property.

I quite agree with you when you say, "The man who gets rich on ground rent gets rich on the labour of others."



But you then go on to say:—

Mr. Bounderby owns a row of houses. The rental of the street amounts to £400 a year. Where does the money come from?

The rent is paid by the tenants of the houses. It is paid with money they have earned by their labour, or with money which they have obtained from other men who earned it by their labour, and it is paid to Mr. Bounderby for the use of his houses.

How did Mr. Bounderby get his houses? He either bought them with money which he did not earn by his own industry, or he paid for the material and the building with money which he did not earn by his own industry.

Two things are quite certain—First, that Mr. Bounderby did not build the houses with his own hands, nor make the bricks and timbers of which they are built—that work was done by other men; and, second, that the money with which those men were paid was never earned by Mr. Bounderby's own industry.

Mr. Bounderby has, therefore, no right to own those houses or to charge rent for them.

The man who grows rich upon house rents grows rich upon the labour of others.

Here, again, I have to complain of your mixing up your terms. House Rent, so far as political economy is concerned—and these are questions of political economy—is made up of rent for the use of land and Interest on the capital invested in houses. If I build a house that costs £300, on a piece of land that cost £100, then three-quarters of what you call Rent is in reality Interest.

Now, so far as Rent is concerned, I agree that Mr. Bounderby has no right to that beyond his portion as a member of the community. But to the interest upon his £300 he has a perfect right. The tenant pays so much a year, for what? For the use of a house. He gives Mr. Bounderby so much, and receives from Mr. Bounderby the use of a house. I admit that, through the action of the land monopoly, Mr. Bounderby may be able to get more than he ought for the house, but that is not the fault of capital, but land monopoly.

“But,” you argue, “Mr. Bounderby did not build the house himself.” To all intents and purposes he did. When he paid

others for building them he was exchanging demands upon the services of others—for that is what money is—for services. It is quite possible that the money he paid was earned, and honestly and fairly earned, by him.\*

But you then proceed to shew how Interest is wrong. This is to prove that Mr. Bounderby could not get rich justly. You say:—

What is interest? It is money paid for the use of money. If you lent me one hundred pounds at 5 per cent. interest, that would mean that I must pay you five pounds a year for the loan of the money as long as I kept it, and that such payment would not reduce the amount of the loan. So that if I kept your £100 for twenty years and paid you £5 a year interest, I should at the end of that time still owe you £100. That is to say, you would receive £200 from me, although you only lent me £100.

Where do I get the interest from? I have to work for it. But you get it from me. You don't work for it. You, possibly, worked for the principal—that is, for the first hundred pounds—but you do not work for the interest, the second hundred pounds.

Let us simplify this a little. I admit it looks very bad the way you put it—at the end of twenty years to have paid back the £100 and yet owe it. But suppose we take a smaller case.

Suppose that, owing to unexpected loss or extravagance, I am in immediate need of £20. I want that money. I go to a loan office and they advance me the twenty pounds, but insist that I shall pay it back at so much per week or month. They charge me, perhaps, three or four pounds for the loan, and, since they are getting back their principal in rapid instalments, they are really getting a much heavier interest than they seem

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\* I have dealt with the case of an inventor on page 57. But there are many ways in which a man can get rich without prejudice. Let me give an illustration on a small scale. There are two or three hundred people at some meeting. Their coats, hats, &c., are a trouble to them, but one man takes charge of them all. For this he receives, say, one penny from each person. He has got a good sum for his trouble, but has saved each individual far more than a pennyworth of trouble.

to be charging. I have to consider whether it will be more to my benefit to pay that interest or to do without the money. They do not compel me to take the money; I can refuse to do so. I will only take it if I think it will be advantageous to me. It is a question of exchange. They certainly make a great deal out of me, but I must be under the impression that it will be a benefit to me also, or I would not take the loan.\* There is nothing wrong here, I maintain, as between the two parties.

Well, I take the money and pay it back, but find that to pay it back I have run into debt, and at the end of the year I ask the loan office people to renew the loan. Again I do it, because I think that, though the disadvantages are great, the advantages are still greater. Here each transaction is a separate affair, and there is nothing, I maintain, wrong. I am as much interested as you in making it that people ought not to be reduced to such straits as to need help in this way; but that will come later on. In the meantime I am dealing with matters as they are.

In the case you quote, really the matter is the same. You borrow the £100 for a year, and pay £5 for the advantage you expect to get from the loan. But at the end of the year you do not pay the money back, but practically borrow it again. It is another transaction, and £5 paid for the loan of £100 for another year. As I said, the thing to aim at is not the abolition of interest, but to put the people in a position that they will not be in a corner. This, as I shall shew, will be done when the land monopoly is broken.

The rate of interest upon capital depends upon supply and demand. But there is a limit caused by the land monopoly and national and municipal debts. No one will take less for the

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\* Political economists point out that the heavy interest charged for loans in many cases does not represent exorbitant profit, but is, for the most part, insurance against risk of bad debts. The good payers have to suffer for the bad.

loan of his capital that he can get by investing it in land or stocks. But if land be taxed upon its value, even though it be only a comparatively small amount, yet that would be sufficient to stop speculation in land, for it would be recognised that, though the tax at first was small, yet it was only the thin end of the wedge. But if you take away land you limit the field of investment to a wonderful extent. Then, as the tax on land values increased, it would provide a fund whereby municipal and national improvements could be carried out without recourse being necessary to loans, and the existing loans could also be quickly paid off. This would still further reduce the field for investment.

Again, the result of the taxation of land values would be to give labour access to land, and thus cause a vast increase in the production of wealth. So that we would have the two causes in operation—wealth rapidly increased side by side with an ever-increasing difficulty of securing an investment for it.

Thus the rate of interest would constantly tend to being reduced, for the supply of capital would be constantly increasing, and probably faster than the demand could keep pace with it.

A little consideration would shew you that while in countries where access to the land can be easily had, and where capital is scarce, interest—even after allowing extra for risk—is high; yet as population increases and land becomes monopolised and capital more abundant, while rent increases, interest decreases. If this is the case under present conditions, how much quicker will be the operation of the law of supply and demand in relation to capital when, the land monopoly being broken down, the creation of capital will go on at a vastly accelerated rate.

The result of allowing labour access to natural opportunities would certainly mean that wages would rise all over the country. This is the point you ought to have directed your attention to.

Wealth goes into the three divisions, Rent, Wages, Interest.  
So we have

LAND	}	Produce	{	RENT
LABOUR				WAGES
CAPITAL				INTEREST
		WEALTH		

If you take the portion that goes to RENT, you must add it on to the other two classes, and to a corresponding degree increase the portion that goes to INTEREST and WAGES. Now, while LABOUR must have access to LAND, CAPITAL is dependent upon LABOUR. As you say on page 61:—

I suppose you are aware that no "value" can be got out of an estate without labour. If you doubt this, take a nine-acre field, fence it in, and wait until it grows crops. You know it will *never* grow crops unless someone ploughs it and sows it.

No; even if you have land and capital, you cannot raise a single ear of corn without labour. Take your nine-acre field. Put in a steam plough, a sack of seed, a harrow, and a bank-book, and wait for crops. You will not get a stalk of corn. A poor labourer with a broken shovel and a piece of thorn bush will raise more wheat in his little patch of back garden than all the capital of England could get out of all the acres of Europe without labour.

If Capital is so dependent upon Labour, how does it come about that it can exploit Labour under present conditions? Let me try to show you. I know that I am going over old ground in some respects, but we cannot get too clear a view of this question. You have dealt with it to some extent in the chapter on "Competition," but your inferences show that you have not understood the force of your own arguments.

Following your good example, I shall resort, for illustration, to a simple state of society, but remember the principle holds good in the present complex conditions.†

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† Mr. George shews this in "Progress and Poverty," page 17:—  
"But the fundamental truth, that in all economic reasoning must be firmly grasped and never let go, is that society in its highly-developed form is but an elaboration of society in its rudest beginnings, and that principles obvious in the simpler relations of men are merely disguised, and not abrogated or reversed, by the

Take the illustration we have used on page 43. We saw that, so long as access to the land was open to the community, all invention and improvement went to benefit the whole people. We saw that, if the food producers got better conditions of work than the producers of other goods, people would leave the production of these other goods in sufficient numbers to bring the reward of the agriculturists down to the ordinary level, and *vice versa*.

But now let the landlord step in. Let us suppose the food producers "own" the land. They can then with safety say to the artisans, "We won't give you the proper value for your goods," for the artisans can no longer go back to the land and produce food for themselves. They must have food in order to live, and so must work for the others for whatever they choose to give them. Instead of selling *the products of their labour*, *they must sell the labour itself*, and the wages they get will soon become just enough to provide them with as much food as will keep them strong enough to work. The food producers, who own the land, one would think had a good enough bargain already; but they soon pay other men to produce the food, and then we see the whole nation working hard to keep the landowners in idleness and luxury. The harder the people work, the greater comfort they—no, not they, but the landowner enjoys.

This is where the capitalist gets the advantage. He buys labour, and sells the product of that labour. But if the

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more intricate relations that result from the division of labour and the use of complex tools and methods. The steam grist mill, with its complicated machinery exhibiting every diversity of motion, is simply what the rude stone mortar dug up from an ancient river bed was in its day—an instrument for grinding corn. And every man engaged in it, whether tossing wood in the furnace, running the engine, dressing stones, printing sacks, or keeping books, is really devoting his labour to the same purpose that the prehistoric savage did when he used his mortar—the preparation of grain for human food

workers could work for themselves, his power to injure them would be gone. No man would work for the capitalist for less than he could get by working for himself. No! The capitalist, before he could make any profit out of the workers, must give them some inducement to work for him in place of working for themselves.

So if we abolish the land monopoly that forces the labourer to sell his labour, and give him back his freedom of action, then, since labour can be independent of capital—as you admit—while capital must have the assistance of labour—as you also admit—the labourer will be the man who has the upper hand; so capital will be reduced to its proper place as the helper in production, and can no longer be used as a means of depriving the worker of the just reward for his labour.

Mr. Bernard Shaw says, in the “Fabian Essays,” page 26:—  
“On Socialism the analysis of the economic action of Individualism bears as a discovery, in the private appropriation of land, of the source of those unjust privileges against which Socialism is aimed.” This is what I have been contending, but, if it be the case that *private appropriation of land is the source* of these unjust privileges, then abolish the cause and the effect will cease.

## CHAPTER IX.

WHAT SOCIALISM IS TO ACCOMPLISH.  
  
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On page 106 you give a list of the good things that Socialism is to bring about. Let us see what they are:—

What are the things to be done? We want to find work for the unemployed. We want to get pensions for the aged. We want to abolish the poor-law system. We want to produce our own food, so as to be independent of foreign nations. We want to get rid of the slums, and build good houses for the workers. We want to abolish the sweater and shorten hours of labour and raise wages. We want to get rid of the smoke nuisance and the pollution of rivers, and we want to place the land and all other instruments of production under the control of the State.

Before we can accomplish any of these reforms we must have a public in favour of them, and a Parliament that will give effect to the popular demands. So that the first thing we need is education, and the second thing we need is a Socialist Party.

So, according to you, before we can get any of these things we must have a Socialist party and education.

I can show you a much simpler plan. There is no need for all the machinery you suggest, nor for wasting the time that must be taken in getting this Socialist Party.

You ought always to take the simplest plan, *Nunquam*. You know a steam hammer will crack a nut without crushing the kernel; but, at the same time, your teeth, if good, or a pair of nut-crackers will be much handier.

First:—"We want work for the unemployed." No, we do not. Don't forget what you said on page 90:—"What the people want is food, clothing, and shelter and leisure, not



*work.* (You put that in italics yourself.) Work is a means, not an end. Men work to live, not live to work."

What men want are the products of labour. How are these to be obtained? In only one way. By the application of labour to land.

Why do the workers not get them? Because they are not allowed access to the land.

What is the remedy? Give them access to the land.

"We want pensions for the aged."

If you take the money that is going into the pockets of the private owners for permission to use the land that was intended for the use of all men, you have an ample fund from which to give pensions to the aged.

"We want to abolish the poor-law system."

By allowing access to the land you allow the workers to produce for themselves, and thus the able-bodied will not need poor-law assistance. The aged we can give pensions from the land rental.

"We want to produce our own food, so as to be independent of foreign nations."

Why is it not done now? Because the labourer has not only to produce for himself, but also to provide a surplus for the landowner, the parson, and for rates and taxes.

If he cannot do that he is not allowed to cultivate the land, even though he could make a sufficiency for himself.

What, again, is the remedy? Abolish the land monopoly.

"We want to abolish the sweater, and shorten the hours of labour, and raise wages."

Well, why do men work for long hours, and for small pay, and under disagreeable conditions? Because they cannot help it. They have to sell their labour to the highest bidder.

Why? Because, owing to the land monopoly, they are not allowed to work for themselves, and therefore have to get someone else to give them work.

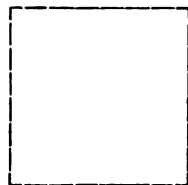
"We want to abolish the slums, and build good houses for the workers."

Why do people live in the slums? It is not from choice. Is it due to "competition" or "want of organisation," Nunquam? No; it is due to the land monopoly.

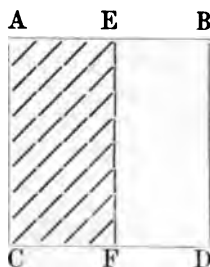
The Liberal programme will accomplish all you want in these matters.

Take the question of the housing of the people in our large towns. You have pointed out the miserable condition under which so many thousands of the inhabitants of our large towns are herded together, and the deplorable results from a sanitary and moral point of view. In fact, I want to elaborate, in one respect, your argument at the top of page 41 of "Merrie England." The people do not dwell in these pigsties from choice, and the necessity for such conditions is the result of the land monopoly. The people who live in these places do not pay small rents, but, on the contrary, very high rents, comparatively speaking. The evil is easily perceived. The workman or tradesman in Oldham, for instance, must have his shop or his dwelling house in Oldham. They can afford to pay a certain amount only in rent and rates combined.

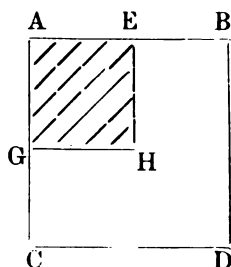
Supposing A B C D represents an estate on the skirts of a town which is increasing in population, A B  
and wanted consequently for the use of the inhabitants. They can pay, as we have pointed out before, only a certain amount for its use. Now, if the landowner allows the whole of it to be used, he receives this amount; but, land being plentiful, for this amount the people can get enough land to admit of their having a house and land around it for a garden.



But if the owner only allows half of it, A E F C, to be used, *he will be able to extort the same amount for the half.* The people *must* have the land, and the result is that for the amount for which, in the first case, they could have got a house and garden, they can only get a house without a garden. Only the well-to-do can have a garden; the poor people must go without.



Let us now suppose that the landowner refuses to allow more than a quarter of his land to be used, A E G H. He can still get the same amount as at first, for the people *must have the land.* The result is that now only the wealthy can have a house and grounds; the well-to-do, comparatively, can have a small house; while the working classes have to be contented with one or two rooms in a house.



The landlord can get the same amount in all cases from the people, and upon the quantity of land he permits them to have the use of depends the question as to whether they are well housed or compelled to put up with slums and overcrowding. Further, as the remainder of his land will afford him a return, either as pleasure grounds or agricultural land, the landowner profits most by allowing the smallest quantity of land to be used. At present he practically escapes taxation upon the land he keeps idle; but everyone can perceive that if the whole of the land were taxed upon what we may term its "use-value," and the tax levied whether the land were put to use or not, then the landowner could not longer afford to keep land idle, since he would be paying taxation on that which was bringing in no return. He would be ruined if he did not allow the land to be put to use, and the moment it was thrown open to the use of the public houses, shops, &c., would be built upon it, overcrowding would come to an end, and the building of these

houses, &c., would give employment to vast numbers of the unemployed.

The story is told of a beggar who accosted a gentleman in New York and asked him for assistance. "I do not like giving money to beggars," said the gentleman; "but, if you like, I will give you work."

"That is what I want," said the tramp.

"All right Can you dig?"

"Yes, I can dig."

"Then come along."

The gentleman bought the man a pickaxe and spade, and, taking the tramp to a vacant piece of land, said "I want to build a house here and you can go on digging the foundation."

The man went to work, and at the end of the day he got his money. But he had not been at work long the next day when a man came up to him and said "What in thunder are you doing there?"

"Can't you see?" he replied. "I am digging the foundation for a house."

"But who told you to do it?" was the next question.

"Mr. So-and-so," was the reply.

"Come out of that," was the answer. "That land does not belong to him. Clear out, or I'll have you taken up."

"What?" said the tramp. "The land does not belong to him?"

"No, of course not. Clear out, I tell you."

"Then I guess I'll make it hot for him for making such a fool of me."

The tramp went to the gentleman's house and began to make a row.

"Look here, my man," said his employer, "I know that land does not belong to me. But you want work, don't you?"

"Yes."

"Well, I want to build a house. I have the capital and you have the labour, but this man comes along and prevents me getting the house and you and many other workmen getting work. If you want to quarrel, he is the one you ought to quarrel with."

The light dawned on the tramp. As the George men in America say, *He saw the Cat*.

If we could get access to the land, there would be no need to organise men, so far as house-building is concerned. They would organise themselves. But we know that before the builder can get the land he has to pay, not merely the value of the land at the present day, but the value it may be expected to have years hence, when the growth of the population makes it absolutely necessary for them to get that land at any cost.

Now, by taxing that land at its "use-value," the landlord would have to let go his hold. But that is not the end. If the value that the increase of population gives to the land were taken for public purposes, the municipality could run tramways free from the centre right out to the outskirts. Why? Because the increased means of communication would add to the value of the land, and, if that value went to the public, then there would be no loss, but a gain on the transaction.

In place of the people being herded in slums, they could be spread over the place in comfort, and each improvement would go to the benefit of the people without any drawback, and still there need be no interference with the individual liberty of the people. On the contrary, that liberty would be vastly extended.

Now as to the production of our own food. There ought to be no geographical barrier between the workers. You may as well say that the worker who lives in Cheshire has no right to exchange the products of his labour with the worker living in Lancashire as find fault with the Lancashire man exchanging the product of his labour with the wheat grower in America. There is no need for this country to attempt to

grow her own food if she can get more of the products of labour by producing manufactured articles and exchanging them for the food stuffs of other countries.

In this way, indeed, it is that the benefits of the subdivision of labour can be obtained to the full.

The evil is that we have idle land and idle men. Men who want to work. Land that is waiting to be cultivated. If this labour and land be brought together, if these men can have access to the land, then they can produce wealth for themselves.

Here, again, we have the land monopoly cropping up. I know of a district in an adjoining county where there are a great number of market gardeners. The land on one side of the hedge is let to a large farmer, on the other to market gardeners in small portions. The farmer pays £2 a Cheshire acre; but the market gardeners cannot get the land—exactly similar land—for less than £15 the acre. These men want more land, but the price is too high. Now, if the taxation of Land Values were in force, and the landowner insisted upon getting this amount before he would let them have the land he was letting the farmer have at £2, all they would have to do would be to go to the tax collector and tell him. He would write to the landowner and say that he is told that he (the landowner) values this land at £15, and that in future, therefore, he will have to pay the tax upon the £15 value, in place of £2. How long would that landowner be able to keep the market gardeners from having access to the land at a fair rate? *The landowner could not afford to keep it out of use*, since he would be paying more in taxes than he received in rent.

In short, the taxation of land values will force the landowner to allow the land to be put to its best use, whether it be agricultural, town, or mineral land. This will allow the labourer the means of producing wealth for himself, and, as I have stated before, when that access is given there will be no need to organise labour, for consumption determines the direction production must take.

Further, the fund obtained by taking for the community that value added to the land by the presence and industry of the community will enable pensions to be given to the aged, and many things to be carried out to make the lives of the people of this country happy.

These are solid advantages, Nunquam, and can, with a united effort, be secured in a very short time.

## CHAPTER X.

## THE BITTER COST OF A BAD SYSTEM.

The idea of Socialism is grand and noble, and it is, I am convinced, possible of realisation; but such a state of society cannot be manufactured it must grow. Society is an organism, not a machine. It can only live by the individual life of its parts, and in the free and natural development of all the parts will be secured the harmony of the whole. All that is necessary to social regeneration is included in the motto of those Russian patriots sometimes called Nihilists—"Land and Liberty!"—"Progress and Poverty," page 228.

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In Chapter VI. you denounce the trouble and waste involved in the present system of each family having—where it can afford it—a house to itself.

The evils you point out are in reality caused through the poverty of the people. Undoubtedly the present system has many disadvantages, but it also has advantages. The thing that prevents the workers enjoying these advantages is their poverty.

On page 47 you say:—

You know that each family has its own dinner cooked daily, that each wife has her own washing day and baking day, that she has her own cooking range and implements, that she makes a special journey to the shops once a day or once a week and buys her food and other necessities in small quantities.

Take a working-class street of one hundred houses. Consider the waste therein. For the convenience of one hundred families you have—

One hundred small, inconvenient wash kitchens.

One hundred ditto ditto ovens.

One hundred ditto ditto drying grounds.

One hundred wringing machines—turned by hand.

You have one hundred dinners to cook every day. You have, every week, one hundred miserable washing days; you



have one hundred women going out to buy a pound of tea and sugar, or other trifles.

Consider the cost of the machines, the cost of coal, the labour and trouble of the wives expended.

This you would remedy by having one great kitchen, one general dining hall, and one general tea garden, and "appoint certain wives as cooks and laundresses, or, as is the case with many military duties, we let the wives take the duties in turn."

First, about the washing. Why need all the washing be done at home? That a wash-house be attached to every house is, I think, a very desirable thing. There is no need for it to be a small one. That proceeds from the high price of land, and the taxation of land values will break that down.

Why do not the families send out the most of the family wash to a laundry? Is it not their poverty? Why bother about setting up a new social system when all that is wanted is to abolish poverty?

The laundry people will be glad to get all the clothes you can send—there will be no need for allowancing.

But if you arrange that the women are to take the washing in turns for the whole company, you will also have to regulate the amount of washing each is to be allowed to send to be washed at the common place. Mrs. Jones, whose husband wears a woollen shirt for a fortnight, will object to washing half a dozen white shirts for Mrs. Robinson's husband for the same length of time.

If you do all these things in common, then there must be some limit as to the quantity of work that each is allowed to put upon the other. Mr. Walter Besant has followed some of these ideas out in his works—and he cannot be considered unfriendly to Socialism—and has shown, in my opinion clearly, that the result will be to make everything subordinate to the saving of labour at the expense of taste, beauty, and comfort.

Again, the same will happen in regard to the food. You talk of the allowance that ought to suffice, but that will not content others. The people with few wants will be compelled

to work for the pleasure of those with many wants, even though they consider these wants artificial.

Do you know, Nunquam, I think the difficulty can be best got over by all of us keeping servants? Yes, you may smile, and say, like the French princess, "If the people have no bread, why do they not eat cake?"

Who are the servants of the present day? The daughters of the workers. Why are they in the service of other people? Because of the poverty of their own parents. If you abolish the poverty that compels parents to send their children from home, out to service, at the very time when a parent's eye is the most necessary, can they not do the work for their own home that at present they do for someone else's home?

Mrs. Smith, you say, cannot cook. Well, if she cannot cook for me she will not be able to cook for your general table. If she can learn to cook for the general table, she can learn to cook for me.

Your one dining-room, &c., raises questions as to details. Will the father, mother, and children all sit at the same table? Or will the men eat by themselves at one place, while the children are fed at another, and the wives wait upon both?

How do you think the wives would like it, Nunquam? I prefer a meal at home, with my own family around me, to a meal in a restaurant any day.

But it does not matter about my opinion in the present case. It is Mrs. Smith you will have to reckon with.

Nunquam, have you ever seen the "waste" of time and money on children's dresses? See how Mrs. Smith and Mrs. Jones vie with each other as to who can turn their children out looking the best dressed—an awful lot of trouble to both of them and the source of endless rows for the poor children, who forge that they ought not to play in their best clothes.

I used to point this out to Mrs. Smith, but somehow or other she did not see the force of my arguments. In confidential chat with Jones, I found that he also had been trying to

persuade Mrs. J. not to worry over the children's clothes that way. But she was as unreasonable as Mrs. Smith. In fact, we both found we had better leave the subject of children's clothes alone.

Yes, Nunquam ; it is a shame that women are allowed to go on toiling away in order to turn their children out looking better than the other children in the street.

There is, in fact, no end to the unreasonableness of a woman in regard to her children. I came across a case a few months ago where a baby took diphtheria. The mother was very poorly at the time, and the doctor wanted the father to get in a trained nurse, since the case threatened to be a dangerous one.

Now, that nurse would have taken all the trouble off the mother. She could have gone to bed at night knowing that the nurse would stay up. She could have got her much-needed rest, and have looked after herself.

Yet that mother got quite fierce when the husband proposed that they follow the doctor's advice, and shut herself up in the room with that baby, took no sleep, but watched the little thing until the danger was over, and even now has a bit of a grudge against that doctor for proposing to let anyone come in between her and her child.

I am afraid that you will have trouble with the children, Nunquam. You know how the people in "Uncle Tom's Cabin" always found them a nuisance, and the slave-dealer only voiced a widespread opinion when he spoke of the benefit it would be if they could only breed a race of negro mothers who did not care what became of their children. It will be quarrels between the children that will cause quarrels between the mothers, and then the fathers will be brought into it.

No! I am afraid your common dining halls, &c., will not be the success you anticipate.

In "Merrie England" you do not deal with this question of the children, but in the Joint Socialist Manifesto, issued by

the Social Democratic Federation, the Fabian Society, and the Hammersmith Socialists, in 1893, I find the following passage on page 4:—

The horrible revelations concerning English home life made by the Society for the Prevention of Cruelty to Children have effectually dispelled the illusion that the cruelty and selfishness of the mine and factory have not infected the household, or that society can safely abandon its children to irresponsible private ownership any more than its land and capital.

Now this, to begin with, is an unthinking, careless, but not the less mischievous libel on English home life. Yet that sentence, in all its falsity, has been scattered as a description of the horrors of the home life of that brutal nation, the English.

It is not only libellous on the fair fame of the ordinary English family, it is hopelessly illogical as an argument for Socialism. These children are individuals. They have a perfect right to proper treatment, and the very principle of individualism demands that they be protected from harm. Socialism is not requisite for that.

The very fact that these cruel parents are members of the community, and in any Socialistic plan would therefore have a voice in the bringing up of the young if we had "society" interfering with the "private ownership" of children by the parents, is a strong argument against any such communistic management.

Because my next-door neighbours ill-treat their children, is that any reason why the management of mine should be taken away from me? Still more, is it any reason why they should have a share in the bringing up of mine? If the numbers of these cruel parents are so few, there is no need for Socialistic legislation to deal with them; the ordinary police court will suffice. If, on the other hand, they are numerous, and the English home life is permeated with cruelty, then Socialist legislation will only succeed in handing over the children of the kind parents to those brutes who could not be trusted with the management of their own.

The present system is undoubtedly bad in many ways. We have industrial slavery, but I am afraid that your Socialism will not come far short of a modified form of the old Chattel Slavery. You cannot carry it out without tampering with some of our most cherished—and properly so—relationships.

Food, clothing, and even mental culture are not all we want ; there are other things quite as valuable. This attempt to break down the family life threatens to interfere with and sap the very foundations of all that is best and noblest in our lives.

You remember the story of the escaped slave and the Canadian judge. The judge asked the negro why he had run away. "I suppose your master ill-used you?" "No, Massa," replied the negro, "he was kind enough." "Then he didn't feed you well?" "Oh, yes ; I had plenty." "Too much work then, I suppose?" "No, there was not too much work." "Then why did you run away?" "Me wanted liberty, Massa," replied the nigger. "But," said the judge, "you were a fool to run away from a master who didn't ill-use you, and gave you plenty to eat. You'll have to work hard here, and not fare as well." "Well, Massa," replied the negro, "de place is open still ; you can go and take it if you like."

## CHAPTER XI.

## PRACTICAL POLITICS.

We have now seen the point that should be aimed at, and the method by which it is to be reached. There is another branch of the subject which practical men must consider—the political forces that may be marshalled, the political resistance that must be overcome. It is one thing to work out such a problem in the closet—to demonstrate its proper solution to the satisfaction of a few intelligent readers. It is another thing to solve it in the field of action, where prejudice, ignorance, and powerful interests must be met.—"Irish Land Question" (*Henry George*), page 33.

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In your final chapter you say you have put the case for Socialism before me as clearly as you could, and ask me to "render a verdict in accordance with the evidence." I have gone over what to me seem to be the chief points in that evidence. There is much that I have not deemed it proper to go into at the present time. If Socialism comes, and we have the State-organised community, many things that appear crude in your outline of what will be the probable mode of procedure may be vastly modified, so that, so far as your scheme of Socialism is concerned, I have merely tried to point out one or two difficulties that seem to me to be formidable.

The thing above all others I want to avoid is the error into which you seem to me to have fallen, viz., *side-tracking reform*. I have endeavoured throughout to think of you not as an opponent, but as a man of deep convictions, of earnest sympathy with the down-trodden, and with the power of awakening kindred sympathy in the minds of others. It has been difficult to do this at times, I admit, when you have let a little bit of "the old Adam" out, and gone in for slinging abuse at those who do not think as you do.

But great danger lies in the fact that you can arouse the sympathies of your fellow-men. You can appeal forcibly to their sentiment, and such appeals are more readily responded to than an appeal to the thinking powers. This book of yours has not the same power over me that it must have over many who by means of it are first attracted to a study of the social problem. It is full of eloquent passages, and there may be many who, carried away by generous feelings that the perusal of your book may evoke, will admit as correct, without the necessary amount of examination, your statement that "Socialism is the only remedy for these evils." But I have been a student of Henry George. He, too, has awakened my deepest sympathies with the down-trodden; he has pointed out the cause of their condition, and in eloquent periods dwelt upon the glorious possibilities for humanity when this cause is removed and natural laws have been allowed that free play their Creator designed.

Whether we take the infinitely minute, or the infinitely great; whether we place a grain of sand under the microscope, or sweep the heavens with the telescope, order, harmony, and wise design are apparent throughout. It is only when we come to those regions where man's grand but dangerous prerogative of free-will enables him to interpose barriers between the design of the Creator and his acceptance of that design, that we find discord, want, and chaos.

The Laws of Rent, of Supply and Demand, of Competition — all, when we examine them apart from the artificial interference with their action caused by the monopoly by the few of the land created for the use of all, are found to be laws to promote justice. What is wanted is not restriction, but true free play; to bring ourselves into harmony with nature by abolishing the man-made laws that interfere with the action of natural laws.

You, on the contrary, have clearly shown in your book that you regard these laws as the oppressors of labour. You have come to the examination of them and their effects with the

pre-conceived idea that they are evil, and have sought to find evidence to suit this idea. You have altogether failed to perceive the important and beneficent functions they are intended to fulfil, and would fain brush them out of existence altogether, to be replaced by organisation of the people.

As Henry George says, in his "Condition of Labour," page 92, "Socialism in all its phases looks on the evils of our civilisation as springing from the inadequacy or inharmony of natural relations, which must be artificially organised or improved. In its idea there devolves upon the State the necessity of intelligently organising the industrial relations of men, the construction, as it were, of a great machine whose complicated parts shall properly work together under the direction of human intelligence." And he goes on to say, "On the other hand, we see in the social and industrial relations of men, not a machine which requires construction, but an organism which needs only to be suffered to grow. We see in the natural, social, and industrial laws such harmony as we see in the adjustments of the human body, and that as far transcends the power of man's intelligence to order and direct as it is beyond man's intelligence to order and direct the vital movements of his frame."

Throughout your whole book this is apparent. On every page we see the vague longing for a certain state of things to be brought about, while the method by which it is to be brought about is glossed over. Even granting, for the sake of argument, that I am as much enamoured of the ideal state you have depicted as you are, I naturally want to know how you are going to accomplish it.

As I read your chapters on "Competition," "Waste," and "Cheapness," I thought them weak indeed. But, weak though they be, it was only when I came to consider your method in regard to the accomplishment of that which you had held up as the ideal state of things that I saw the weakest part of your book.



Your treatment of this portion shows how you really felt this yourself. On page 105 you try to dismiss the question with an assumed air of satire. You say—

It always amuses me to hear the intensely practical person demand, "How are you going to do it?"

I ask that question; but it is not any feeling of jocularly that prompts me. No! It may seem absurdly funny to you, but I confess I cannot perceive where the joke comes in. On the contrary, I think the question "How are you going to bring about your Merrie England?" is a very natural and important one.

It is simply begging the question to airily say, "My dear Mr. Smith, it is too late to ask when we are going to begin. We *have* begun. We, or rather they, began long ago." You are asking me to leave the Liberal Party and become a Socialist; join the Independent Labour Party, in fact. I ask you what are the immediate steps you are going to take to benefit me and my fellows. I search your book vainly for an answer. You have no plan for *immediate* relief.

On the very page preceding you say—"The question is, How can Socialism be accomplished? I confess that I approach this question with great reluctance. The establishment and organisation of a Socialistic State are the two branches of the work to which I have given least attention." Is not this a confession that your ideas are of the general form embodied in such maxims as "Be good"? Very good as maxims, but the point is how they are to be put into effect. Before you ask me to leave a party with a programme, ought you not to be able to give me a better programme?

Even though you have not devoted much time to the formulation of a Socialist State, surely there have been many who have tried to do so. Could you not have adopted someone else's plan if you had none of your own; or is it that all are in the position you are in—full of schemes as to what you will do

when you reach your Promised Land, but utterly ignorant of the way to get there?

I take it that the primary object of writing "Merrie England" is to secure the elevation of the condition of the workers. That certainly is the object of the "Reply."

Now let us look at the matter in a sensible light. I believe that the evils you have pointed out in your book—evils of the existence of which I was aware—are traceable to the private monopoly of land. I believe that the best and quickest way to break down that monopoly is by the taxation of Land Values. This is one of the planks in the programme of the party I support. You, on the other hand, ask me to leave the Liberal party and join you in——what? In the effort to convert the nation to——Socialism. You say on page 106—

Before we can accomplish any of these reforms we must have a public in favour of them, and a Parliament that will give effect to the popular demands. So that the first thing we need is education, and the second thing we need is a Socialist Party.

This is not a relief, but a means whereby in course of time we may get relief.

You may say that "you also are in favour of breaking down the land monopoly." That, no doubt, is so; but I do not need to join your party to accomplish that which is in the programme of the party I am already connected with.

You say that Compensation will have to be given these landowners. Compensation for what? Abstaining from wrongdoing?

All wealth is the product of labour applied to land, for capital is simply stored-up labour. Therefore, if an object be the property of its creator, then the wealth produced by labour ought to belong to it.

Anything, therefore, the landowner takes must be the appropriation of that which belongs to labour. Therefore, in breaking down the land monopoly we are to that extent

stopping the landowner robbing labour. Where can his claim for compensation justly come in?

No, Nunquam. You are asking me to abandon the substance and grasp at a shadow.

The only thing you have in any way proposed as a remedy is that given in your chapters on "Waste" and "Cheapness," viz., doubling prices. I have shown it to be an utter fallacy to dream that by doubling the cost of articles to the consumer you can in any way increase the wages of the workers. On the contrary, I have proved that the only effect of such a scheme will be to raise the rental of the landowners, though ultimately even they would have to share in the general distress into which your "way" will plunge the worker.

Before you proceed to deal with cheapness, you must find out the way by which the workers are deprived of the means of availing themselves of the cheap goods. If we could get goods for nothing, surely it would be a benefit to the people. But if we could imagine a state of things in which clothes, food, everything we want, grew spontaneously from the ground, yet, so long as private property in that ground was allowed, the people would be no better off than before. The goods would belong to the men who owned the land, and, though they cost the landowners nothing, yet they could effectually prevent the people having any benefit from them.

In the same way, all the inventions of machinery, all the discoveries of science, go, not to the increase of welfare of the people, but to enrich the fortunate owners of the land. Had you not in your chapter on "Competition" brushed aside the idea that there is much land monopoly in the realm of commerce, you would, by a little investigation, have perceived that the power of the capitalist really rests, in every way, upon the land monopoly.

Had the landowners of a couple of generations ago had the slightest conception of the value that would be added to land, owing to the progress of science and invention, they would

never have parted with the fee-simple of the land to manufacturers. They would have only allowed them to have the use of the land upon short leases, and then at the end of the lease would have been able to have deprived them of all above the small profit necessary to prompt them to work hard so as to make that profit.

There is no Labour Problem with the unfortunate shopkeepers under the London ground landowners. The question there is too plain to be a problem. The landowner at the end of their leases can ruin them by demanding so much for renewal as to absorb all they have made. And it would have been the same with the millowners had the landowners of the past known as much as those of to-day. But it is in landlordism that the strength of the capitalist lies. As I have shown you, the land monopoly forces the labourer to sell his labour at a subsistence wage, the capitalist buys the labour and sells the produce of it.

I have shown you—proved it from your own book—that the Land Monopoly is the cause of the poor wages our workers receive.

You have denounced Competition. Again I have shown you from your own examples that it is the Land Monopoly that causes competition to become an evil, and that if access to natural opportunities were afforded the workers, competition would take its proper place as a law to secure justice to all.

I said before that you cannot escape competition under Socialism; neither you can. The fact that you propose to make the conditions of work in some trades more irksome than in other trades shows that the men are flocking into these trades, competing against each other for places—and you propose to give them to the men who will work the longest hours. Now this is precisely the same as if you gave them less wages. You give them to the men who will give most products in exchange for that particular kind of work.

But there is another form of competition you will have to guard against—THE COMPETITION OF LAZINESS. "From each according to his ability; to each according to his wants," is very fine——on paper. But until you have regenerated human nature and made it very different from what it is at present, the competition amongst a large portion of your workers will be who can do the least.

You sneer at the "incentive of gain." You put it down as an altogether low motive. It need not be. The ordinary man is not working just for himself; it is his wife and children he is working for. If he works hard, they are better off; but if his work is only a small portion, an infinitesimal portion of the work of the community, and the amount his family gets of the comforts of life depends not upon his exertions but upon the exertion of the whole community, then the individual is helpless. He may see that things are going wrong, but is powerless to help.

You are going to have captains of industry chosen by the people. Now, I ask you, with human nature as it is, whom are the people likely to choose for leaders: the hard-working, driving men, or the easy-going? With human nature as it is, it will not be the drivers. It is no use taking it for granted that all working men are angels and all capitalists devils—for you seem to have excluded the capitalists from any human sympathies at all. We must take things as they are.

There are many other things that will be similar under Socialism to what they are at the present time.

I cannot help thinking that you are bothered by the fact that we use money. You seem really to have a kind of impression that it has a value, in place of being merely the representative of value.

When I work I produce wealth; this is added to the store of wealth. When I spend wages I take wealth out of the total store. The money is merely the measure of the amount of

wealth I have put in, and consequently the amount I ought to be allowed to take out.

Under Socialism, working for the community, you are simply creating wealth which is added to the general store; when you supply your wants you are simply taking wealth from the general store—but you have no measure to tell whether you are getting a fair exchange or not. Under Socialism wealth would still be the Product of Labour applied to Land.

The fundamental cause of all the evils you mention in your book lies in the fact that labour is denied the use of the only object provided by the Creator for the production of wealth.

*The programme of the Party you ask me to abandon contains the plank I have dwelt upon so much—the Taxation of Land Values—which will break down the Land Monopoly.*

This will permit the agriculturist to work on the land in place of flocking into the towns; will allow him to be a consumer of the goods I and others make, thus making trade good. The unemployed being absorbed will prevent the capitalist keeping down wages. The land monopoly being broken down will allow the builders to build us houses in place of the rookeries we have to live in now. The value added to the land by the presence and industry of the people, being taken for national and municipal purposes, will admit of all taxes being removed, and yet leave enough to allow of everyone over the age, say, of sixty getting a good pension.

And it can be accomplished by passing an Act through Parliament, or, rather, through the House of Commons, for the Lords cannot interfere in matters of taxation.

Your plan must take a long time. Where we need weeks you need years. The people in the slums cannot wait, Nunquam, until you have formed your Socialist party. While the grass grows the steed starves.

No, Nunquam; help us to get this reform through. Remember Sir William Harcourt has an enormous amount of pressure to contend against in introducing such a measure.

If he feels that he has the country at his back he will do it; but you cannot expect him to attack great vested interests with a divided country. What we want is unity of action.

It is no use, Nunquam, saying the Liberals and Tories are alike. They are not. Take the question of Payment of Members. The recent debates show that the Liberals are in favour of this; the Tories oppose it.

I have shown the benefit of the taxation of land values in regard to our towns and the abolition of slums. In the recent debate on Mr. Provand's motion, the Opposition was led by the Tory member sent by the working men of West Salford to represent them.

You complain that there are not a dozen working-men members in the House of Commons. Well, take those men and see upon which side they vote. They go as being independent of party, but do you ever find them voting for the Tories? What does that mean? This: That the measures brought in by the Liberals are in the direction of Reform, while the policy advocated by the Tories is opposed to Reform.

A dozen working-men members! Yes, and the working men of the Liverpool and Manchester districts alone send another dozen Tories to neutralise the votes of these working-men members.

Why do you appeal to me as "a staunch Liberal" to abandon my party? It is not John Smith, the Radical, but Jack Robinson, the Tory, to whom your letters ought to have been addressed.

Now, I have given your appeal a fair reply; let me know what answer you have to make. If it be—as I have taken it for granted it is—your desire to arrive at Truth, then it is your duty to point out where I am wrong.—Awaiting your rejoinder with interest,

I am, my dear Nunquam,

Yours sincerely,

JOHN SMITH.

